

2001-03 Omnibus Operating Budget
House of Representatives
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	52,826	45	52,871
2001-03 Carryforward Level	52,914	45	52,959
2001-03 Maintenance Level	56,795	45	56,840
Policy Changes:			
1. Developmental Disabilities Counsel	15	0	15
Total Policy Changes	15	0	15
Total 2001-03 Biennium	56,810	45	56,855

Comments:

1. Developmental Disabilities Counsel - One-time funding is provided, for fiscal year 2002, for the Legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

The appropriations to the House of Representatives include \$84,000 in FY 2002 and \$84,000 in FY 2003 for the independent operations of the Legislative Ethics Board. Expenditure decisions of the board, including employment of staff, shall be independent of the House of Representatives and the Senate.

2001-03 Omnibus Operating Budget
Senate
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	42,928	45	42,973
2001-03 Carryforward Level	42,689	45	42,734
2001-03 Maintenance Level	45,170	45	45,215
Policy Changes:			
1. Senate Transportation Committee	1,677	0	1,677
2. Developmental Disabilities Counsel	15	0	15
Total Policy Changes	1,692	0	1,692
Total 2001-03 Biennium	46,862	45	46,907

Comments:

1. Senate Transportation Committee - Funding for the Senate Transportation Committee is shifted from the Motor Vehicle Fund to the General Fund--State. This funding is offset by a reduction in the transportation budget.

2. Developmental Disabilities Counsel - Funding is provided for the Legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

The appropriations to the Senate include \$84,000 in FY 2000 and \$84,000 in FY 2001 for the independent operations of the Legislative Ethics Board. Expenditure decisions of the board, including employment of staff, shall be independent of the Senate and House of Representatives.

2001-03 Omnibus Operating Budget
Jt Leg Audit & Review Committee
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	3,497	0	3,497
2001-03 Carryforward Level	3,152	0	3,152
2001-03 Maintenance Level	3,321	0	3,321
Policy Changes:			
1. Special Education Study	100	0	100
2. Audit Follow-Up Activities	100	0	100
3. General Inflation	-12	0	-12
4. Field Services Caseload Studies	375	0	375
5. Corrections Study	40	0	40
6. Developmental Disabilities Study	225	0	225
7. School for the Deaf Study	50	0	50
8. Water Conservancy Boards Study	35	0	35
9. Children's Mental Health Study	140	0	140
Total Policy Changes	1,053	0	1,053
Total 2001-03 Biennium	4,374	0	4,374

Comments:

1. Special Education Study - The Special Education Study mandated and funded in the 2000 Supplemental Budget will carry over into the 2001-2003 Biennium.

2. Audit Follow-Up Activities - Increased resources are provided for expanded audit follow-up activities to verify and evaluate implementation of performance audit recommendations, particularly the performance measurement system developed in the recently completed Mental Health audit.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Field Services Caseload Studies - One-time funding is provided for studies of the field services caseloads in the Division of Developmental Disabilities and the Child Protective Services and Child Welfare Services caseloads in the Children's Administration of the Department of Social and Health Services. A report will be submitted to the fiscal committees of the Legislature and to the Office of Financial Management by July 30, 2002.

5. Corrections Study - One-time funding is provided for follow-up activities for the Department of Corrections' performance audit. The Committee will consult with the Washington State Institute for Public Policy and a report will be submitted to the relevant policy and fiscal committees of the Legislature by December 21, 2001.

6. Developmental Disabilities Study - Funding is provided to conduct an evaluation of the client outcomes of the High School Transition Program operated by the DSHS Division of Developmental Disabilities. The study will identify the different approaches that have been used in providing transition services and whether some approaches are more or less successful in helping young adults with developmental disabilities achieve greater levels of independence. The study will evaluate how transition programs reduce the level of support provided to clients as they achieve greater levels of independence.

7. School for the Deaf Study - Funding is provided to conduct a capacity planning study of the capital facilities of the state School for the Deaf. The committee's study will be carried out in conjunction with the study of educational service delivery models conducted by the Washington State Institute for Public Policy. The study will be submitted to the fiscal committees of the Legislature by September 30, 2002.

2001-03 Omnibus Operating Budget
Jt Leg Audit & Review Committee

Wednesday, June 20, 2001
4:31 pm

8. Water Conservancy Boards Study - Funding is provided to conduct a review of water conservancy boards, to be completed by January 1, 2002. The review will be submitted to the appropriate policy and fiscal committees of the Legislature by January 1, 2003.

9. Children's Mental Health Study - Funding is provided to perform a study of the effectiveness of children's mental health services. A report will be submitted to the appropriate policy and fiscal committees of the Legislature by July 1, 2002.

2001-03 Omnibus Operating Budget
LEAP Committee
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,532	405	2,937
2001-03 Carryforward Level	2,532	405	2,937
2001-03 Maintenance Level	2,741	203	2,944
Policy Changes:			
1. Additional Staff Resources	50	0	50
Total Policy Changes	50	0	50
Total 2001-03 Biennium	2,791	203	2,994

Comments:

1. Additional Staff Resources - Funding is provided for one additional staff person, in the second fiscal year, to assist with managing the increased volume of state and local government information LEAP maintains; supporting the increased number of fiscal staff using LEAP systems and data; responding to the increasing number of requests for specialized access to fiscal data; and supporting the analysis of the impact of changes to funding sources and uses.

2001-03 Omnibus Operating Budget
Office of the State Actuary
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	2,025	2,025
2001-03 Carryforward Level	0	1,837	1,837
2001-03 Maintenance Level	0	1,929	1,929
Policy Changes:			
1. General Inflation	0	-6	-6
Total Policy Changes	0	-6	-6
Total 2001-03 Biennium	0	1,923	1,923

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Retirement Systems Expense Account)

2001-03 Omnibus Operating Budget
Joint Legislative Systems Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	12,000	2,181	14,181
2001-03 Carryforward Level	12,126	3,596	15,722
2001-03 Maintenance Level	13,218	1,836	15,054
Policy Changes:			
1. General Inflation	0	-130	-130
2. Additional Staffing	246	0	246
Total Policy Changes	246	-130	116
Total 2001-03 Biennium	13,464	1,706	15,170

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Additional Staffing - Funding is provided for the addition of an information technology position in the applications support group to meet application development demands. One-time funding is provided for a geographic information system analyst position, for fiscal year 2002, to support the Redistricting Commission, as well as to evaluate the potential applications using the demographic and geographic information derived from the Redistricting effort.

2001-03 Omnibus Operating Budget
Statute Law Committee
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	7,523	2,489	10,012
2001-03 Carryforward Level	7,636	2,489	10,125
2001-03 Maintenance Level	7,947	2,239	10,186
Total 2001-03 Biennium	7,947	2,239	10,186

Comments:

2001-03 Omnibus Operating Budget
Redistricting Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	520	0	520
2001-03 Carryforward Level	775	0	775
2001-03 Maintenance Level	876	0	876
Total 2001-03 Biennium	876	0	876

Comments:

2001-03 Omnibus Operating Budget
Supreme Court
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	10,437	0	10,437
2001-03 Carryforward Level	10,608	0	10,608
2001-03 Maintenance Level	10,916	0	10,916
Policy Changes:			
1. General Inflation	-28	0	-28
2. Historic Furnishings Survey	11	0	11
3. Reclass for Reporter's Office	24	0	24
4. Feasibility Study of Court Reports	10	0	10
Total Policy Changes	17	0	17
Total 2001-03 Biennium	10,933	0	10,933

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Historic Furnishings Survey - Funding is provided for a survey to review and catalog all historic furnishings in the Justices' chambers, private staff offices and conference rooms located in the Temple of Justice. This survey will produce a catalog of historic furnishings by type and provide a room-by-room listing of historic furnishings including a condition assessment of each piece.

3. Reclass for Reporter's Office - Funding is provided for costs associated with a reclassification of positions in the Court Reporter's Office to reflect the increased skills and knowledge required to perform the job.

4. Feasibility Study of Court Reports - An eleven member committee will be created to study and develop recommendations on the publication of the court reports for public access in electronic format.

2001-03 Omnibus Operating Budget
State Law Library
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	3,764	0	3,764
2001-03 Carryforward Level	3,809	0	3,809
2001-03 Maintenance Level	3,970	0	3,970
Policy Changes:			
1. General Inflation	-41	0	-41
2. Reclassification	36	0	36
Total Policy Changes	-5	0	-5
Total 2001-03 Biennium	3,965	0	3,965

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Reclassification - Funding is provided for the reclassification of State Law Library technician positions. The increases are related to recent adjustments made in executive branch library technician salary levels.

2001-03 Omnibus Operating Budget
Court of Appeals
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	23,517	0	23,517
2001-03 Carryforward Level	24,088	0	24,088
2001-03 Maintenance Level	25,249	0	25,249
Policy Changes:			
1. General Inflation	-111	0	-111
2. ADA Compliance/Court Security	159	0	159
3. Salary Adjustment Pool	327	0	327
Total Policy Changes	375	0	375
Total 2001-03 Biennium	25,624	0	25,624

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. ADA Compliance/Court Security - Funding is provided for costs associated with remodeling a bathroom in the Division III facility. Additionally, court security will be enhanced by the addition of monitoring equipment and personnel.

3. Salary Adjustment Pool - Funding is provided to make compensation adjustments for Court of Appeals' staff based on recruitment and retention difficulties, new duties or responsibilities assigned, or salary inversion or compression. The Court of Appeals will determine the specific positions that will receive compensation adjustments based on this criteria.

2001-03 Omnibus Operating Budget
Commission on Judicial Conduct
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,809	0	1,809
2001-03 Carryforward Level	1,701	0	1,701
2001-03 Maintenance Level	1,766	0	1,766
Policy Changes:			
1. General Inflation	-6	0	-6
2. Increased Workload	131	0	131
3. Internet Information System	33	0	33
Total Policy Changes	158	0	158
Total 2001-03 Biennium	1,924	0	1,924

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Increased Workload - Funding is provided for a new staff investigator position to address additional workload due to an increase in the number of investigations and public proceedings.

3. Internet Information System - Funding is provided for the Commission to develop document imaging capabilities for the storage and processing of their complaints. Additionally, the Commission will begin integrating this system with Internet-based applications to allow greater access to Commission members and the public.

2001-03 Omnibus Operating Budget
Office of Administrator for Courts
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	27,974	45,052	73,026
2001-03 Carryforward Level	29,435	37,026	66,461
2001-03 Maintenance Level	28,711	37,644	66,355
Policy Changes:			
1. General Inflation	-78	-652	-730
2. Local Court Backlog Assistance	0	138	138
3. Adjust Judicial Information Systems	0	0	0
4. Judicial Information Enhancements	0	17,894	17,894
5. Judicial Enhancement Pool	0	750	750
6. Juror Fee Increase	0	1,618	1,618
Total Policy Changes	-78	19,748	19,670
Total 2001-03 Biennium	28,633	57,392	86,025

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Public Safety and Education Account, Judicial Information Systems Account)

2. Local Court Backlog Assistance - Funding is provided to pay for pro-tem, travel, and per diem costs for judges who travel outside of their jurisdictions to assist other courts in reducing temporary backlogs. (Public Safety and Education Account--State)

3. Adjust Judicial Information Systems - Funding is adjusted to equalize carryforward level costs of the judicial information systems. (Public Safety and Education Account, Judicial Information Systems Account)

4. Judicial Information Enhancements - Funding is provided for the Office of the Administrator for the Courts to enhance and upgrade various judicial information systems (JIS). Of the total funds appropriated, \$410,000 is to be used to replace the audio system in Division I of the Court of Appeals and to purchase audio recording, courtroom presentation, and video conferencing equipment for all divisions of the Court of Appeals. The spending authority reflected in the appropriation level for information technology systems is based on an assumption that the Supreme Court will increase the JIS assessment from \$10 to \$12. (Public Safety and Education Account, Judicial Information System)

5. Judicial Enhancement Pool - Funding is provided for enhancements to selected judicial programs as determined by the Office of the Administrator for the Courts in consultation with the Supreme Court. Unified family courts are among the programs that may be funded from this appropriation. (Public Safety and Education Account)

6. Juror Fee Increase - Beginning on July 1, 2002, funding is provided to increase the rate of juror compensation from \$10 per day to \$25 per day on the second day of juror service. It is assumed that counties and cities will still pay \$10 for each day of service, and the state will pay the remainder for the second day forward. By December 1, 2003, the Office of the Administrator for the Courts shall prepare a report on the impact of the rate increase on juror response rates and overall judicial operations. (Public Safety and Education Account)

2001-03 Omnibus Operating Budget
Office of Public Defense
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	500	12,525	13,025
2001-03 Carryforward Level	0	12,565	12,565
2001-03 Maintenance Level	0	12,262	12,262
Policy Changes:			
1. General Inflation	0	-104	-104
2. Attorney Fee Vendor Rate Increase	0	233	233
3. Dependency and Termination	600	0	600
4. Capital Defense Center	0	235	235
Total Policy Changes	600	364	964
Total 2001-03 Biennium	600	12,626	13,226

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Public Safety and Education Account)

2. Attorney Fee Vendor Rate Increase - Funding is provided for a vendor rate increase for attorneys that handle indigent appellate cases. Rates will be increased by 2.1 percent on July 1, 2001 and an additional 2.3 percent on July 1, 2002. (Public Safety and Education Account)

3. Dependency and Termination - Funding is provided to continue a pilot program through June 30, 2002, to improve defense services provided for parents involved in dependency and termination hearings. A final evaluation of this pilot project will be submitted to the governor and to the fiscal committees of the legislature by February 1, 2002.

4. Capital Defense Center - Funding is provided for the Office of Public Defense to contract with an existing public defender association to establish a Capital Defense Assistance Center (CDAC). The CDAC will provide training and assistance to defense attorneys involved in capital offense cases. (Public Safety and Education Account)

2001-03 Omnibus Operating Budget
Office of the Governor
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	11,827	945	12,772
2001-03 Carryforward Level	11,954	957	12,911
2001-03 Maintenance Level	12,065	923	12,988
Policy Changes:			
1. Data Management Coordinator	200	0	200
2. Puget Sound Action Team Funding	-3,204	3,204	0
Total Policy Changes	-3,004	3,204	200
Total 2001-03 Biennium	9,061	4,127	13,188

Comments:

1. Data Management Coordinator - Funding is provided for a project coordinator to advise the Governor's Joint Natural Resource Cabinet on policy and strategic issues related to information management on a watershed scale. Additionally, the coordinator will oversee the Natural Resources Data Pool, facilitate progress on information access, process and procedures, and appropriate data documentation. The JNRC established the Salmon and Watershed Information Management (SWIM) project to coordinate salmon recovery data information.

2. Puget Sound Action Team Funding - Funding for the Puget Sound Action Team is shifted from the state General Fund to the Water Quality Account.

2001-03 Omnibus Operating Budget
Office of the Lieutenant Governor
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	708	160	868
2001-03 Carryforward Level	729	0	729
2001-03 Maintenance Level	747	0	747
Policy Changes:			
1. General Inflation	-3	0	-3
2. Salary Administration Fund	34	0	34
3. Technical Support	18	0	18
4. Director of Agency Affairs Position	104	0	104
Total Policy Changes	153	0	153
Total 2001-03 Biennium	900	0	900

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Salary Administration Fund - Funding is provided for compensation increases to reflect professional development and advancement. The Personnel Board does not administer exempt salary ranges for the staff of statewide elected officials.

3. Technical Support - Funding for staff travel is increased. Staff will provide on-site technical and administrative support to the Lieutenant Governor for public appearances.

4. Director of Agency Affairs Position - Funding is provided to establish the position of Director of Agency Affairs.

2001-03 Omnibus Operating Budget
Public Disclosure Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	4,042	0	4,042
2001-03 Carryforward Level	3,775	0	3,775
2001-03 Maintenance Level	3,819	0	3,819
Policy Changes:			
1. General Inflation	-6	0	-6
Total Policy Changes	-6	0	-6
Total 2001-03 Biennium	3,813	0	3,813

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Office of the Secretary of State
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	22,869	13,125	35,994
2001-03 Carryforward Level	18,974	11,902	30,876
2001-03 Maintenance Level	19,353	12,851	32,204
Policy Changes:			
1. General Inflation	-133	-90	-223
2. Eastern Regional Archives Move *	0	1,824	1,824
3. Archives Records Center Space	0	641	641
4. Southwest Regional Archives Rent *	0	115	115
Total Policy Changes	-133	2,490	2,357
Total 2001-03 Biennium	19,220	15,341	34,561

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund--State, other funds)

2. Eastern Regional Archives Move * - One-time and on-going funding and staff are provided to move into, then operate, the new Eastern Washington Regional Archives building. The funding provided lapses if either the financing contract for an Eastern Washington Regional Archives is not authorized in the 2001-03 capital budget or House Bill No. 1926 (surcharge on county auditor recording fees) or similar legislation is not enacted by June 30, 2001. (Archives and Records Management Account-State, Archives and Records Management Account-Private/Local)

3. Archives Records Center Space - One-time funding is provided for temporary staff and costs associated with a capital budget item expanding the State Records Center, and on-going funding is provided for staff to operate the expanded facility. The State Records Center provides temporary storage of state agencies' records. Funding appropriated for this item lapses if the financing contract for the expansion of State Records Center is not authorized in the capital budget for the 2001-2003 fiscal biennium. (Archives and Records Management Account-State)

4. Southwest Regional Archives Rent * - Funding is provided for a rent increase associated with expanded space for the Southwest Records Archive Center. (Archives and Records Management Account-State, Archives and Records Management Account-Private/Local)

2001-03 Omnibus Operating Budget
Governor's Office of Indian Affairs
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	542	0	542
2001-03 Carryforward Level	539	0	539
2001-03 Maintenance Level	553	0	553
Policy Changes:			
1. General Inflation	-2	0	-2
Total Policy Changes	-2	0	-2
Total 2001-03 Biennium	551	0	551

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Asian-Pacific-American Affrs
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	450	0	450
2001-03 Carryforward Level	456	0	456
2001-03 Maintenance Level	469	0	469
Policy Changes:			
1. General Inflation	-3	0	-3
Total Policy Changes	-3	0	-3
Total 2001-03 Biennium	466	0	466

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Office of the State Treasurer
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	14,715	14,715
2001-03 Carryforward Level	0	12,634	12,634
2001-03 Maintenance Level	0	12,918	12,918
Policy Changes:			
1. General Inflation	0	-48	-48
Total Policy Changes	0	-48	-48
Total 2001-03 Biennium	0	12,870	12,870

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (State Treasurer's Service Account)

2001-03 Omnibus Operating Budget
Office of the State Auditor
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,230	41,399	43,629
2001-03 Carryforward Level	2,221	42,910	45,131
2001-03 Maintenance Level	2,229	43,379	45,608
Policy Changes:			
1. General Inflation	-17	-341	-358
2. Local Government Finance Project	0	100	100
3. Demonstration Performance Audits	600	0	600
4. Remove funding for 3rd runway audit	-410	0	-410
Total Policy Changes	173	-241	-68
Total 2001-03 Biennium	2,402	43,138	45,540

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Municipal Revolving Account-Nonappropriated, Auditing Services Revolving Account)

2. Local Government Finance Project - Funding is provided for ongoing maintenance of the Local Government Finance Project . (Municipal Revolving Account-Nonappropriated)

3. Demonstration Performance Audits - Funding is provided to conduct three performance audits as demonstration audits for state and local governmental agencies. Each audit shall include a financial history and shall identify and review performance measures, benchmarks, quality management practices, and efficiencies achieved. State auditor shall report findings from these audits to legislative committees by December 1, 2002.

4. Remove funding for 3rd runway audit - Funding is removed for a performance and financial audit of the Port of Seattle's third runway project, and the requirement that an audit be conducted is also eliminated.

2001-03 Omnibus Operating Budget
Comm Salaries for Elected Officials
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	202	0	202
2001-03 Carryforward Level	197	0	197
2001-03 Maintenance Level	235	0	235
Policy Changes:			
1. General Inflation	-3	0	-3
Total Policy Changes	-3	0	-3
Total 2001-03 Biennium	232	0	232

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Office of the Attorney General
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	12,391	134,210	146,601
2001-03 Carryforward Level	9,693	141,246	150,939
2001-03 Maintenance Level	9,643	147,902	157,545
Policy Changes:			
1. General Inflation	-26	-608	-634
2. Labor & Industries Support Staff	0	672	672
3. Water Resources	0	318	318
4. New Retirement System	0	79	79
5. Sexually Violent Predators	0	1,253	1,253
6. Medicaid Fraud	0	480	480
7. Criminal Litigation Capability	0	334	334
8. Children's Services Litigation	0	672	672
9. Endangered Species Act	0	147	147
10. Nuclear Waste	0	382	382
11. Network Equipment	0	276	276
12. Office/Windows 2000 Upgrade	0	662	662
13. Tobacco Litigation	0	277	277
14. Indeterminate Sentence Review Board	0	83	83
15. Industrial Insurance Appeals Judges	0	1,372	1,372
16. Labor & Industries Cases	0	888	888
Total Policy Changes	-26	7,287	7,261
Total 2001-03 Biennium	9,617	155,189	164,806

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund--State, other funds)

2. Labor & Industries Support Staff - Funding is provided to hire support staff for the Attorney General's Labor and Industries Division. The new hires will be directly employed by the Office of the Attorney General rather than by the Department of Labor and Industries. (Legal Services Revolving Account)

3. Water Resources - Funding for legal services provided for the Department of Ecology is increased to reflect added workload associated with water allocation issues. (Legal Services Revolving Account)

4. New Retirement System - Funding for additional legal services provided for the Department of Retirement Systems is increased to reflect added workload associated with the new Public Employees Retirement System Plan 3. (Legal Services Revolving Account)

5. Sexually Violent Predators - The addition of two assistant attorneys general and support staff will enable the Sexually Violent Predator Unit in the Office of the Attorney General to decrease the wait time and number of cases awaiting initial commitment trial and to assume cases that have been handled by the Snohomish County Prosecutors Office. (Legal Services Revolving Account)

6. Medicaid Fraud - Funding is provided for the Medicaid Fraud Control Unit to increase the number of fraud and resident abuse investigations by 20 percent. (General Fund-Federal, Public Safety and Education Account)

7. Criminal Litigation Capability - Funding is increased for investigative and prosecutorial assistance provided to local governments for cases that involve conflicts of interest or present complex criminal issues requiring additional expertise. (Public Safety and Education Account)

2001-03 Omnibus Operating Budget
Office of the Attorney GeneralWednesday, June 20, 2001
4:31 pm

8. Children's Services Litigation - Funding is provided to increase legal services for children's services litigation. Implementation of the federal Child Abuse Prevention and Treatment Act (CAPTA) by the Department of Social and Health Services has increased legal hearings. Under CAPTA, anyone who has been found to have committed an act of child abuse or neglect through a Child Protective Services investigation has the right to an administrative fair hearing. Assistant attorneys general represent the state in these proceedings. (Legal Services Revolving Account)

9. Endangered Species Act - Funding for legal services provided for the Department of Fish and Wildlife is increased to reflect added workload associated with the listing of salmon and other fish species under the Endangered Species Act. (Legal Services Revolving Account)

10. Nuclear Waste - Funding for legal services provided for the Department of Ecology is increased to reflect added workload associated with regulation of the United States Department of Energy's cleanup activities at Hanford. (Legal Services Revolving Account)

11. Network Equipment - Funding is provided to replace network equipment. (Legal Services Revolving Account)

12. Office/Windows 2000 Upgrade - Funding is provided to upgrade Microsoft software, train staff to use software, and replace desktop computers. (Legal Service Revolving Account)

13. Tobacco Litigation - The Office of the Attorney General will enforce a statute which requires manufacturers not participating in the Tobacco Master Settlement Agreement to deposit funds in an escrow account based on cigarette product sales in Washington State. If costs are recovered from tobacco manufacturers, funds will be returned to the Tobacco Prevention and Control Account. (Tobacco Prevention and Control Account)

14. Indeterminate Sentence Review Board - Funding for legal services provided for the Indeterminate Sentence Review Board is increased to reflect added workload. Cases heard by the Indeterminate Sentence Review Board have become more complex and involve offenders who have committed serious offenses, creating a need for additional legal services from the Office of the Attorney General. (Legal Services Revolving Account)

15. Industrial Insurance Appeals Judges - The Attorney General represents the state in workers' compensation cases that are appealed and heard by the Board of Industrial Insurance Appeals (BIIA). To address a backlog of cases, the BIIA will hire more judges in 2001-2003 and hear more cases. Given the increase in hearings, funding is provided to increase Attorney General services provided. (Legal Services Revolving Account)

16. Labor & Industries Cases - One-time funding for fiscal year 2002 is provided for the costs of implementing a recent state Supreme Court ruling regarding the calculation of workers' compensation benefits. The Department of Labor and Industries is to develop and recommend statutory language to the Legislature by October 1, 2001, that provides greater certainty in the calculation of workers' compensation benefits. (Legal Services Revolving Account)

2001-03 Omnibus Operating Budget
Caseload Forecast Council
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	946	0	946
2001-03 Carryforward Level	1,014	0	1,014
2001-03 Maintenance Level	1,083	0	1,083
Policy Changes:			
1. General Inflation	-3	0	-3
2. Employee Compensation	170	0	170
Total Policy Changes	167	0	167
Total 2001-03 Biennium	1,250	0	1,250

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Employee Compensation - Funding is provided for one new full-time staff person to take on the responsibility of forecasting the 14 MAA caseloads and to improve the analytical ability to explain deviations from the forecasts.

2001-03 Omnibus Operating Budget
Dept of Financial Institutions
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	20,606	20,606
2001-03 Carryforward Level	0	21,138	21,138
2001-03 Maintenance Level	0	21,472	21,472
Policy Changes:			
1. General Inflation	0	-90	-90
2. Application Development	0	495	495
3. Broker-Dealer Field Examinations	0	245	245
4. Internet Fraud Program	0	159	159
5. Senior Examiner, Credit Unions	0	90	90
6. Office Assistant, Human Resources	0	85	85
7. Consumer Complaints & Enforcements	0	450	450
8. Electronic Banking Exams	0	212	212
9. Internet & Intranet Development	0	462	462
10. Financial Literacy	0	196	196
11. Fund Consolidation #	0	0	0
Total Policy Changes	0	2,304	2,304
Total 2001-03 Biennium	0	23,776	23,776

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Banking Examination Account-Nonappropriated, Credit Unions Examination Account-Nonappropriated, Securities Regulation Account)

2. Application Development - Funding is provided for phase two of the Department's Database Of Licensed Financial Institutions system, (DOLFIN). Phase two will develop a comprehensive regulatory database for the storage, retrieval, analysis, and tracking of regulatory information. Phase one was implemented in the 1999-2001 biennium. (Banking Examination Account-Nonappropriated, Securities Regulation Account)

3. Broker-Dealer Field Examinations - Funding is provided for the addition of one field examiner and the development of a database module to help target high risk broker-dealer offices. The cycle for examination of securities broker-dealer offices will be reduced from ten years to nine years by the end of the biennium and the examination cycle of high-risk securities offices will be increased. (Securities Regulation Account)

4. Internet Fraud Program - Funding is provided for the Securities Division to create an Internet Fraud Program staffed by a technology specialist to respond to the increasing number of complaints of investment fraud on the Internet. The Division will implement the program in fiscal year 2002. (Securities Regulation Account)

5. Senior Examiner, Credit Unions - Funding is provided to increase a part-time senior examiner position to full-time. The Division of Credit Unions (DCU) implemented a stronger off-site monitoring program in fiscal year 1999 to detect negative financial trends and to undertake earlier review of the status of the DCU required corrective actions of regulated credit unions. The senior examiner will also assist with credit union field examinations and consumer complaint resolution. (Credit Unions Examination Account-Nonappropriated)

6. Office Assistant, Human Resources - Funding is provided for an office assistant in the Department's human resources office to provide services that directly support new strategic plan objectives. (Banking Examination Account-Nonappropriated, Credit Unions Examination Account-Nonappropriated, Securities Regulation Account)

2001-03 Omnibus Operating Budget
Dept of Financial InstitutionsWednesday, June 20, 2001
4:31 pm

7. Consumer Complaints & Enforcements - Funding is provided to employ three new positions, two new Financial Examiner positions and a Securities Examiner position. The new Financial Examiners will conduct examinations and audits of consumer loan companies, check cashiers and sellers (some with "payday lender" small loan endorsements), and escrow agents, allowing the Division of Consumer Services to maintain a reasonable examination schedule and visit all new licensees within the first six months of operation. The securities examiner position will provide legal expertise in the conduct of complaint investigations, enforcement actions and in the development of interpretive letters for the Department. (Banking Examination Account-Nonappropriated)

8. Electronic Banking Exams - Funding is provided to allow the Division of Credit Unions (DCU) to enter into a personal service contract to conduct information systems and electronic-banking examinations of credit unions. The DCU cannot rely on its federal counterpart, the National Credit Union Administration (NCUA), to examine E-banking activities by Washington State credit unions as NCUA has no clear implementation date for an effective E-banking examination. (Credit Unions Examination Account-Nonappropriated)

9. Internet & Intranet Development - Funding is provided for one web programmer/analyst position and for personal services contracts support for DFI's Intranet efforts and the different Divisions' Internet information delivery requirements to their stakeholders and clients. (Banking Examination Account-Nonappropriated, Credit Unions Examination Account-Nonappropriated, Securities Regulation Account)

10. Financial Literacy - Funding is provided for the temporary financial literacy position to be promoted to a permanent position. This staff position ensures the continuation of the financial literacy assistance program. The Department helps Washington consumers avoid scams and fraud and provides advice to consumers on how to protect themselves in a broad range of financial transactions. (Banking Examination Account-Nonappropriated, Credit Unions Examination Account-Nonappropriated, Securities Regulation Account)

11. Fund Consolidation # - The Department's three funds (Banking Examination Fund-Nonappropriated, Credit Union Examination Fund-Nonappropriated, and Securities Regulation Fund-Appropriated) are consolidated into a single dedicated and non-appropriated fund, the Financial Services Regulation Fund. The purpose of this consolidation is provide the Department with the flexibility to employ its staff to perform regulatory activities across all financial institutions. This new funding framework will allow the Department to develop, train, and fund cross-division teams that have the capacity to regulate all financial institutions. (Securities Regulation Account)

2001-03 Omnibus Operating Budget
Dept Community, Trade, Econ Dev
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	146,669	215,258	361,927
2001-03 Carryforward Level	142,835	215,342	358,177
2001-03 Maintenance Level	142,743	211,955	354,698
Policy Changes:			
1. Vendor Rate Increase	1,681	0	1,681
2. General Inflation	-223	-88	-311
3. Housing Initiative	0	680	680
4. Transfer SIRTl Funding	-3,496	0	-3,496
5. Protect Archaeological Sites	266	0	266
6. Growth Management Updates	3,000	0	3,000
7. WMS Rural & Environmental Expansion	200	0	200
8. Emergency Food Assistance Program	1,000	0	1,000
9. Energy Facilities Siting Council	0	996	996
10. Displaced Worker Assistance	200	0	200
11. Economic Development Administration	0	0	0
12. Rural Development Council	-34	0	-34
13. Archaeology Grant Funding	0	1,400	1,400
14. QuickSites Initiative	150	0	150
15. King County Public Health	-2,347	0	-2,347
16. Reemployment Support Center	-12	0	-12
17. Developmental Disabilities Endowmnt	460	113	573
18. WSU Technical Services Agreement	-36	0	-36
19. Foreign Office Contract - Japan	0	0	0
20. Technology Improvements	200	0	200
21. Reduce Washington Technology Center	-394	0	-394
22. SIRTl Reduction	-223	0	-223
23. Visitors Information Centers	-126	0	-126
24. Sexual Assault Legal Advocate	0	880	880
25. Senior Games	45	0	45
26. Youth Shelters	240	0	240
27. Business Retention and Expansion	100	0	100
28. Rural Opportunity Fund	-360	0	-360
29. Mortgage & Rental Assistance	-1,221	0	-1,221
30. Washington State Film Office	144	0	144
31. Business Information Hotline	0	0	0
Total Policy Changes	-786	3,981	3,195
Total 2001-03 Biennium	141,957	215,936	357,893

Comments:

1. Vendor Rate Increase - Funding is provided to increase vendor payments by 2.1% in fiscal year 2002 and 2.3% in fiscal year 2003.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Housing Initiative - The Office of Community Development will conduct a pilot project designed to lower infrastructure costs and make housing more affordable to prospective home buyers. (Washington Housing Trust Account)

2001-03 Omnibus Operating Budget
Dept Community, Trade, Econ Dev

4. Transfer SIRTI Funding - The Office of Community Development (OCD) previously passed state funds through to the Spokane Intercollegiate Research Technical Institute (SIRTI) for its operation. Funds for SIRTI now are appropriated directly to the Institute.

5. Protect Archaeological Sites - Additional funds are provided to the Office of Archaeology and Historic Preservation to investigate claims of vandalization or damage to archaeological sites and to monitor activities relating to archaeological permits.

6. Growth Management Updates - Local governments planning under the Growth Management Act are required to review and/or update their comprehensive plans including critical areas ordinances. Funds are provided for grants to local governments to help pay for the costs to update local critical areas ordinances.

7. WMS Rural & Environmental Expansion - Washington Manufacturing Services (WMS) works with Washington based manufacturers to enhance their competitiveness in the global market place. Additional funding is provided for the WMS to establish a rural manufacturers' assistance effort in collaboration with the Economic Development Councils (EDCs) to promote rural economic development in Washington.

8. Emergency Food Assistance Program - Funding is provided for infrastructure improvements, such as cold storage, in order to increase the capacity of food distribution centers to transport and store food, especially perishable items.

9. Energy Facilities Siting Council - Expenditure authority is provided for fees collected pursuant to EHB 2247 (state energy supply).

10. Displaced Worker Assistance - Funding is provided for distribution to community agencies that assist industrial workers who have been displaced by energy-related plant closures for the purpose of meeting the displaced workers' basic needs including, but not limited to, emergency medical and dental services, family and mental health counseling, food, energy costs, mortgage and rental costs.

11. Economic Development Administration - Funding for travel for on-site technical assistance to rural communities and funding for staff training in the Economic Development Division is maintained.

12. Rural Development Council - The remaining general fund resources for the rural development council are eliminated. The council will continue to receive federal and local funds which make up the bulk of the current funding.

13. Archaeology Grant Funding - The Office of Archaeology and Historic Preservation has received additional federal funds which will be used to increase the grants awarded to local governments. Required matching funds will come from local participation and existing state appropriations. (General Fund-Federal)

14. QuickSites Initiative - QuickSites is an economic development program which will enable communities to offer prospective business investors ready industrial sites. Funding is provided to establish a database and industry site profiles.

15. King County Public Health - In order to consolidate all replacement of local public health funding associated with Initiative 695, funding for King County Public Health is transferred from the Department of Community, Trade, and Economic Development's budget to Special Appropriations to the Governor.

16. Reemployment Support Center - Reemployment Support Centers provide counseling and referral services to persons displaced in the timber and salmon industry. General Fund-State funding is eliminated for this program. Funding through an interagency agreement with the Employment Security Department will continue. (\$417,000 Federal Funds)

17. Developmental Disabilities Endowment - Funds are provided for the support of the governing board and for program startup costs. Startup costs are assumed to be a loan from the state general fund and will be repaid from program administrative fees. The governing board may use state appropriations to implement a sliding scale fee waiver for families earning below 150% of the state median family income. The director of CTED may implement fees to support the program as provided under RCW 43.330.152. (General Fund-State, Community and Economic Development Fee Account-State)

18. WSU Technical Services Agreement - This item reduces the service contract between the Energy Policy Division and Washington State University (WSU) for technical assistance and support on a number of energy related issues.

19. Foreign Office Contract - Japan - Funding is maintained for the Japan contract for promotion of Washington State and its products.

2001-03 Omnibus Operating Budget
Dept Community, Trade, Econ DevWednesday, June 20, 2001
4:31 pm

20. Technology Improvements - Funding is provided for information technology enhancements designed to improve the delivery of agency services to customers.

21. Reduce Washington Technology Center - The Washington Technology Center at the University of Washington is reduced. The reduction leaves \$6.17 million in general fund support for the center through CTED.

22. SIRTl Reduction - Funding for the Spokane Intercollegiate Research and Technology Institute is reduced. Three million of the state General Fund will be appropriated directly to SIRTl in 2001-03 for support of technology research.

23. Visitors Information Centers - The state operates several highway information stops for information and maps. Funding is eliminated for the information centers in the second fiscal year of the biennium.

24. Sexual Assault Legal Advocate - Funds are provided for community based legal advocates to assist sexual assault victims with both civil and criminal justice issues.

25. Senior Games - Funding for the Washington Senior games is continued for 2002 and 2003. It is anticipated that in future biennia alternative sources of funding will be found to replace state aid.

26. Youth Shelters - Funding for licensed youth shelters is continued for 2002 and 2003. It is anticipated that in future biennia alternative sources of funding will be found to replace state aid.

27. Business Retention and Expansion - Additional funds are provided for business retention and expansion efforts in rural areas.

28. Rural Opportunity Fund - Resources in the rural opportunity fund are redirected for other targeted, economic development expenditures.

29. Mortgage & Rental Assistance - The Mortgage and Rental Assistance Program currently provides money to displaced timber and fishing workers in four counties. This program sunsets on June 30, 2001.

30. Washington State Film Office - Ongoing state general funds are provided to replace emergency funds utilized by the program in the 1999-01 biennium.

31. Business Information Hotline - Funding for the Business Information program in the Office of Trade and Economic Development's Business Technical Assistance Unit is continued.

2001-03 Omnibus Operating Budget
Economic & Revenue Forecast Council
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	986	0	986
2001-03 Carryforward Level	1,002	0	1,002
2001-03 Maintenance Level	1,033	0	1,033
Policy Changes:			
1. General Inflation	<u>-7</u>	<u>0</u>	<u>-7</u>
Total Policy Changes	<u>-7</u>	<u>0</u>	<u>-7</u>
Total 2001-03 Biennium	1,026	0	1,026

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Office of Financial Management
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	27,018	38,614	65,632
2001-03 Carryforward Level	25,232	36,056	61,288
2001-03 Maintenance Level	24,698	34,950	59,648
Policy Changes:			
1. Transfer to Health Care Authority	-208	0	-208
2. Financial Information Systems Pool	0	9,287	9,287
3. Reduction of Expenditures	-504	0	-504
4. Statewide Jail Booking System	0	229	229
5. AmeriCorps Funds	198	600	798
6. Fiscal Analyst Recruitment	296	0	296
7. Head Start Collaboration Project	0	-345	-345
8. Audit of Whistleblower Program	0	25	25
Total Policy Changes	-218	9,796	9,578
Total 2001-03 Biennium	24,480	44,746	69,226

Comments:

1. Transfer to Health Care Authority - Funding is shifted from the Office of Financial Management to the Health Care Authority for two new positions to staff the health care policy subcabinet.

2. Financial Information Systems Pool - Funding is provided for enhancements to selected financial information systems and technology upgrades as determined by the Office of Financial Management. (Data Processing Revolving Account)

3. Reduction of Expenditures - The Office of Financial Management will reduce General Fund operating expenditures by approximately two percent.

4. Statewide Jail Booking System - Funding is provided for the Office of Financial Management to contract with the Washington Association of Sheriffs and Police Chiefs for the maintenance and operation of the statewide jail booking and reporting system. (Violence Reduction and Drug Enforcement Account)

5. AmeriCorps Funds - Funding is provided for schools in Seattle and Yakima to initiate recreation projects for at-risk youth, provide tutoring assistance, and oversee homework clubs through the AmeriCorps program. (General Fund-State, General Fund-Federal)

6. Fiscal Analyst Recruitment - Funding is provided to the Office of Financial Management to implement a fiscal analyst recruitment program to increase the pool of people with financial management knowledge, skills and experience available for middle to upper-level management positions in Washington state government.

7. Head Start Collaboration Project - The Head Start Collaboration Project is transferred to the Department of Social and Health Services. (General Fund-Federal)

8. Audit of Whistleblower Program - Funding is provided for OFM to contract for one performance audit of the Washington State Employee Whistleblower Program pursuant to RCW 42.40.110. (Auditing Services Revolving Account)

2001-03 Omnibus Operating Budget
Office of Administrative Hearings
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	21,496	21,496
2001-03 Carryforward Level	0	21,784	21,784
2001-03 Maintenance Level	0	22,027	22,027
Policy Changes:			
1. General Inflation	0	-95	-95
2. Purchase Personal Computers	0	56	56
Total Policy Changes	0	-39	-39
Total 2001-03 Biennium	0	21,988	21,988

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Administrative Hearings Revolving Account)

2. Purchase Personal Computers - Funding is provided to convert personal computer replacement to a three year replacement cycle using a leasing arrangement with the State Treasurer's office. (Administrative Hearings Revolving Account)

2001-03 Omnibus Operating Budget
Department of Personnel
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	34,867	34,867
2001-03 Carryforward Level	0	34,555	34,555
2001-03 Maintenance Level	0	33,402	33,402
Policy Changes:			
1. General Inflation	0	-270	-270
2. Human Resources Systems Project	0	561	561
Total Policy Changes	0	291	291
Total 2001-03 Biennium	0	33,693	33,693

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Personnel Service Account)

2. Human Resources Systems Project - Funding is provided for DOP to prepare a human resources business process, payroll and personnel systems detail requirements and feasibility study. Funding will be used to hire information technology and office support staff, and to hire a consultant to assist in analyzing business requirements and preparing a request for proposal. (Data Processing Revolving Account)

2001-03 Omnibus Operating Budget
State Lottery Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	797,058	797,058
2001-03 Carryforward Level	0	759,862	759,862
2001-03 Maintenance Level	0	763,445	763,445
Policy Changes:			
1. General Inflation	0	-283	-283
Total Policy Changes	0	-283	-283
Total 2001-03 Biennium	0	763,162	763,162

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Washington State Gambling Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	27,492	27,492
2001-03 Carryforward Level	0	27,980	27,980
2001-03 Maintenance Level	0	29,536	29,536
Policy Changes:			
1. General Inflation	0	-207	-207
2. Web-Based Services	0	234	234
3. Efficiency through Technology	0	180	180
4. Renton Field Office	0	60	60
Total Policy Changes	0	267	267
Total 2001-03 Biennium	0	29,803	29,803

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Gambling Revolving Account-Nonappropriated)

2. Web-Based Services - Funding is provided for expansion of the agency's web site to provide easy access to a wide variety of information on gambling regulation. Application and licensee reporting forms will be migrated to web-based electronic processes, and electronic fund transfer capability for payments made to the agency will be established. Paper forms for those without web access will be redesigned, so they are machine-readable for electronic processing. (Gambling Revolving Account-Nonappropriated))

3. Efficiency through Technology - One-time funding is provided to obtain software to implement a central case reporting system and on-going funds are provided for an annual maintenance contract. One-time funds are also provided for setup costs to develop a digital photo identification system. (Gambling Revolving Account-Nonappropriated)

4. Renton Field Office - Funding is provided for the establishment of a field office in Renton for agents responsible for overseeing licensees located in south King County. This will increase the amount of time available for on-site inspection and investigation activities by reducing time spent commuting from the current office in Lynnwood. (Gambling Revolving Account-Nonappropriated)

2001-03 Omnibus Operating Budget
WA State Comm on Hispanic Affairs
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	461	0	461
2001-03 Carryforward Level	467	0	467
2001-03 Maintenance Level	464	0	464
Policy Changes:			
1. General Inflation	-4	0	-4
Total Policy Changes	-4	0	-4
Total 2001-03 Biennium	460	0	460

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
African-American Affairs Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	398	0	398
2001-03 Carryforward Level	404	0	404
2001-03 Maintenance Level	422	0	422
Policy Changes:			
1. General Inflation	-2	0	-2
Total Policy Changes	-2	0	-2
Total 2001-03 Biennium	420	0	420

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Personnel Appeals Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	1,673	1,673
2001-03 Carryforward Level	0	1,695	1,695
2001-03 Maintenance Level	0	1,687	1,687
Policy Changes:			
1. General Inflation	0	-8	-8
Total Policy Changes	0	-8	-8
Total 2001-03 Biennium	0	1,679	1,679

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Personnel Service Account)

2001-03 Omnibus Operating Budget
Department of Retirement Systems
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	51,472	51,472
2001-03 Carryforward Level	0	45,209	45,209
2001-03 Maintenance Level	0	52,301	52,301
Policy Changes:			
1. General Inflation	0	-178	-178
2. Locating Entitled Inactive Members	0	120	120
3. Modify Retiree Return-to-Work Rules	0	117	117
4. Implement WSPRS Plan 2	0	440	440
5. LEOFF 1 Survivor Benefits	0	101	101
6. Public Pension Systems	0	100	100
7. LEOFF 1 Restructuring	0	744	744
8. TRS & PERS Retire/Rehire	0	17	17
Total Policy Changes	0	1,461	1,461
Total 2001-03 Biennium	0	53,762	53,762

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Retirement Systems Expense Account)

2. Locating Entitled Inactive Members - Funding is provided to the Department of Retirement Systems (DRS) to identify and centralize inactive accounts of former retirement system members who have left funds in their accounts. DRS will take administrative steps to attempt to notify the former members of their account balances, in compliance with IRS requirements that members begin receiving distributions no later than age 70 and one-half. (Department of Retirement Systems Expense Account)

3. Modify Retiree Return-to-Work Rules - Funding is provided for DRS to make information system changes to implement the provisions of ESSB 5937 (changing postretirement employment restrictions) that change the current limits on post-retirement employment to an 840 or 1500 hour limit for TRS Plan 1, to an 867 or 1500 hour limitation for PERS Plan 1, and to an 867 hour limit for PERS Plan 2, SERS Plans 2 and 3, and TRS Plans 2 and 3. (Department of Retirement Systems Expense Account)

4. Implement WSPRS Plan 2 - Funding is provided for the implementation of the Washington State Patrol Retirement System Plan 2, created by Engrossed Senate Bill 5143 (modifying the Washington state patrol retirement system retirement and survivor benefits), including modifications to computer systems and program information. (Department of Retirement Systems Expense Account)

5. LEOFF 1 Survivor Benefits - Funding is provided to the Department of Retirement Systems to implement SB 5144 (LEOFF Plan 1) regarding survivor benefits for spouses of post-retirement marriages to LEOFF Plan 1 retirees. (Department of Retirement Systems Expense Account)

6. Public Pension Systems - Funding is provided for the Department of Retirement Systems to assist the Pension Funding Council with acquiring actuarial advice as provided by HB 2236 (Public Pension Systems). (Department of Retirement Systems Expense Account)

7. LEOFF 1 Restructuring - Funding is provided for the Department of Retirement Systems to implement SSB 6166 (LEOFF 1 restructuring) including development of a comprehensive communications plan to inform all active and inactive members, retirees and beneficiaries of the changes to the plan. Funding is also provided for the Department of Retirement Systems to develop and implement an application process and perform service credit audits related to implementation of the bill. (Department of Retirement Systems Expense Account)

2001-03 Omnibus Operating Budget
Department of Retirement Systems

Wednesday, June 20, 2001
4:31 pm

8. TRS & PERS Retire/Rehire - One-time funding is provided to the Department of Retirement Systems to adopt rules related to post-retirement employment as provided by SSB 5937 (changing postretirement employment restrictions). \$117,000 for the corresponding information system modifications is provided in the Modify Retiree Return-to-Work Rules item. (Department of Retirement Systems Expense Account)

2001-03 Omnibus Operating Budget
State Investment Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	11,469	11,469
2001-03 Carryforward Level	0	12,115	12,115
2001-03 Maintenance Level	0	12,486	12,486
Policy Changes:			
1. General Inflation	0	-24	-24
2. New Leased Facility	0	97	97
3. Private Equity Transaction Mgmt	0	317	317
Total Policy Changes	0	390	390
Total 2001-03 Biennium	0	12,876	12,876

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (State Investment Board Expense Account)

2. New Leased Facility - One-time funding is provided for the State Investment Board (SIB) to contract with the Department of General Administration to review lease options. Funding for proposed lease rate increases, space increases, and moving and equipment costs will be reviewed in the 2002 supplemental budget process when costs and options are better identified. (State Investment Board Expense Account)

3. Private Equity Transaction Mgmt - Funding is provided for the State Investment Board to hire two additional staff to perform work previously done by a private equity consultant. The staff will perform investment related duties and comprehensive back office functions, such as daily accounting and reporting, legal review, and financial statement review, to replace the \$3.4 million contract. The new operating model will save investment funds of \$1.7 million. (State Investment Board Expense Account)

2001-03 Omnibus Operating Budget
Department of Revenue
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	144,739	10,057	154,796
2001-03 Carryforward Level	144,641	10,173	154,814
2001-03 Maintenance Level	144,197	10,297	154,494
Policy Changes:			
1. General Inflation	-429	-6	-435
2. Efficiency Savings	-609	0	-609
3. Tax Collections - DOL/Customs	300	0	300
4. Tax Collections - Contract Auditors	1,430	0	1,430
5. Tax Structure Study	318	0	318
Total Policy Changes	1,010	-6	1,004
Total 2001-03 Biennium	145,207	10,291	155,498

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Timber Tax Account-State)

2. Efficiency Savings - Savings are achieved through implementation of information technology projects and process improvements to increase efficiencies. Staff positions have been eliminated as a result of the document imaging project for excise tax returns and process improvements within the miscellaneous tax section. Further planned efficiencies include the revision of the Local Tax Distribution System and quality review of the audit standard and procedures work processes. The Aberdeen Field Office may be closed and alternate service delivery methods could be employed to assist customers.

3. Tax Collections - DOL/Customs - Funding is provided for the Department of Revenue to better utilize the Department of Licensing vehicle licensing system and its own automated collection system to improve collections of taxes due on recreational vehicles and vessels. Funding is also provided to increase enforcement of use tax collections through U.S. Customs. Funding is also provided to focus audit efforts on tax discovery and high dollar accounts. These tax compliance efforts are expected to generate an additional \$15 million in General Fund revenue for the the biennium and an additional \$2.2 million for local governments.

4. Tax Collections - Contract Auditors - Funding is provided to hire additional out-of-state independent contractors to perform audits of businesses that conduct operations in Washington but are located out-of-state. This will generate an additional \$12.8 million in General Fund revenue for the biennium and an additional \$1.9 million for local governments.

5. Tax Structure Study - Funding is provided to conduct a study of the state's tax structure. DOR is directed to create a committee on taxation to study the elasticity, equity, and adequacy of the state's tax system. The committee is to determine how well the current tax system functions and how it might be changed to better serve the citizens of the state. The committee must develop multiple alternatives to the existing tax system designed to increase the harmony between the tax system of this state and the surrounding states, encourage commerce and business creation, and encourage home ownership.

2001-03 Omnibus Operating Budget
Board of Tax Appeals
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,944	0	1,944
2001-03 Carryforward Level	2,141	0	2,141
2001-03 Maintenance Level	2,138	0	2,138
Policy Changes:			
1. General Inflation	-5	0	-5
2. Tax Referee Funding	60	0	60
3. Seattle Hearing Room Relocation	38	0	38
Total Policy Changes	93	0	93
Total 2001-03 Biennium	2,231	0	2,231

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Tax Referee Funding - Funding is provided for a part-time tax referee position to be increased to full-time. This staff person will provide assistance on cases involving complex legal issues.

3. Seattle Hearing Room Relocation - Funding is provided to relocate the Seattle hearing room. Funding is also provided for information technology improvements to provide communication access between the Seattle hearing room and the Board's office in Olympia.

2001-03 Omnibus Operating Budget
Municipal Research Council
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,766	2,380	4,146
2001-03 Carryforward Level	0	4,079	4,079
2001-03 Maintenance Level	0	4,264	4,264
Policy Changes:			
1. Compensation Adjustments	0	317	317
2. Agency Relocation	0	130	130
3. General Inflation	0	-136	-136
Total Policy Changes	0	311	311
Total 2001-03 Biennium	0	4,575	4,575

Comments:

1. Compensation Adjustments - Funding is provided to the Municipal Research Council to increase the contract amount for the Municipal Research and Services Center. (County Research Services Account, City and Town Research Services Account)

2. Agency Relocation - Funding is provided for one-time moving costs and increased lease costs. The agency is located in downtown Seattle and the lease costs at the current facility are expected to increase substantially. The current lease expires on July 31, 2002 and the agency anticipates moving at that time. (County Research Services Account, City and Town Research Services Account)

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (County Research Services Account, City and Town Research Services Account)

2001-03 Omnibus Operating Budget
Minority & Women's Business Enterp
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	2,663	2,663
2001-03 Carryforward Level	0	2,621	2,621
2001-03 Maintenance Level	0	2,412	2,412
Policy Changes:			
1. Management & Tracking System	0	204	204
Total Policy Changes	0	204	204
Total 2001-03 Biennium	0	2,616	2,616

Comments:

1. Management & Tracking System - Funding is provided for a Contract Management and Tracking System that will provide comprehensive data on the state's contracting and procurement activities. (Minority and Women's Business Enterprises Account)

2001-03 Omnibus Operating Budget
Dept of General Administration
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	916	127,311	128,227
2001-03 Carryforward Level	1,185	123,011	124,196
2001-03 Maintenance Level	1,181	130,151	131,332
Policy Changes:			
1. General Inflation	-2	-987	-989
2. Capitol Facilities Maintenance	0	344	344
3. Transfer of Property Management #	0	-1,372	-1,372
4. Service Based Funding on New Leases	0	0	0
5. Procurement Contract Management #	0	0	0
6. Claims Database Management	0	60	60
7. The Ultimate Purchasing System	0	3,411	3,411
8. Consolidate Energy Programs #	0	243	243
Total Policy Changes	-2	1,699	1,697
Total 2001-03 Biennium	1,179	131,850	133,029

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (State General Fund and General Administration Services Account)

2. Capitol Facilities Maintenance - Funding is provided to improve Capitol Campus maintenance. A fire/safety and insulation specialist is added to perform preventative maintenance on fire suppression systems and asbestos abatement. A Capitol Campus building exterior maintenance program is initiated to maintain all brick, cement and sandstone building exteriors to extend benefits from building exterior preservation projects funded by capital funds. (General Administration Services Account, General Administration Services Account-Nonappropriated)

3. Transfer of Property Management # - Property management of the Washington State Training and Conference Center is transferred from the Department of General Administration to the Criminal Justice Training Commission per Senate Bill 5181. (General Administration Services Account-Nonappropriated)

4. Service Based Funding on New Leases - The methodology used by the Division of Real Estate Services to charge clients for new leases is changed from a cost allocation basis to a fee for actual services performed basis. The new cost recovery method will be based upon actual services provided to the client agencies to procure new leases. (General Administration Services Account, General Administration Services Account-Nonappropriated)

5. Procurement Contract Management # - The Procurement Contract Administration (PCA) funding is changed from appropriated to non-appropriated status per House Bill No. 1342/Senate Bill No. 5474. (General Administration Services Account, General Administration Services Account-Nonappropriated)

6. Claims Database Management - Additional funds are provided to link the State Attorney General's Office and the State Office of Risk Management for tort claims administration and claims payments. (General Administration Services Account)

7. The Ultimate Purchasing System - In FY 99-01, the department began to develop an electronic procurement system, The Ultimate Purchasing System (TUPS). This new system streamlines purchasing processes from product request through payment. Additional funding is provided this biennium for three FTE staff and on-going goods and services to directly support the implementation of TUPS. Funds are also provided to develop cross-operability between procurement's contract management system and TUPS and between central stores' warehouse management system and TUPS. (General Administration Services Account-Nonappropriated)

2001-03 Omnibus Operating Budget
Dept of General AdministrationWednesday, June 20, 2001
4:31 pm

8. Consolidate Energy Programs # - Activities for the energy program have been funded through two accounts: the Energy Efficiency Services Account on an appropriated basis and the General Administration Services Account on a non-appropriated basis. The Energy Efficiency Services Account, an appropriated account, is eliminated. All funding for the energy program is made non-appropriated and is consolidated in the General Administration Services Account per House Bill No. 1342/Senate Bill No. 5474. In addition, 1.3 FTE positions are transferred from the capital budget to the operating budget. (General Administration Services Account-Nonappropriated, Energy Efficiency Services Account)

2001-03 Omnibus Operating Budget
Department of Information Services
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	215,905	215,905
2001-03 Carryforward Level	0	208,200	208,200
2001-03 Maintenance Level	0	209,188	209,188
Policy Changes:			
1. General Inflation	0	-649	-649
2. K-20 Network Private Colleges	0	804	804
3. K-20 Network Private K-12 Schools	0	145	145
Total Policy Changes	0	300	300
Total 2001-03 Biennium	0	209,488	209,488

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Data Processing Revolving Account)

2. K-20 Network Private Colleges - Fifteen independent private, non-profit colleges, located in Washington State, have requested connection to the K-20 Educational Telecommunications Network. These K-20 connections are provided to the private colleges on a full cost reimbursement basis, net of the value of services and information provided by the K-12 schools based on criteria approved by the K-20 Board. (Education Technology Revolving Account-Nonappropriated)

3. K-20 Network Private K-12 Schools - Some private K-12 schools have requested limited "pilot connections" to the K-20 Network to test the technical and economic feasibility of one or more connection models. These K-20 connections will be provided to the private K-12 schools on a full cost reimbursement basis, net of the value of services and information provided by the private K-12 schools based on criteria approved by the K-20 Board. (Education Technology Revolving Account-Nonappropriated)

2001-03 Omnibus Operating Budget
Office of Insurance Commissioner
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	26,827	26,827
2001-03 Carryforward Level	0	26,759	26,759
2001-03 Maintenance Level	0	26,695	26,695
Policy Changes:			
1. General Inflation	0	-104	-104
2. Consumer Advocacy Workload	0	132	132
3. Monitor Auxiliary Lines Companies	0	821	821
4. Third-Party Administrators	0	45	45
5. Holding Companies	0	164	164
6. Access to Insurance Information	0	409	409
7. Insurance e-Commerce Regulation	0	184	184
8. Insurance Examiner Salaries	0	412	412
9. Consolidation and Co-location Costs	0	693	693
10. HelpLine Volunteer Network	0	224	224
Total Policy Changes	0	2,980	2,980
Total 2001-03 Biennium	0	29,675	29,675

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Consumer Advocacy Workload - An increase in insurance inquiries and complaints from the public have increased the workload in the Consumer Advocacy Division. Funding is provided for one staff position to be added to the Consumer Advocacy Division. (Commissioner's Regulatory Account)

3. Monitor Auxiliary Lines Companies - Funding is provided for examination and financial analysis of auxiliary line companies. (Commissioner's Regulatory Account)

4. Third-Party Administrators - Funding is provided for a study of the use and possible regulation of third-party administrators. (Commissioner's Regulatory Account)

5. Holding Companies - Funding is provided to implement Substitute House Bill 1792, which creates a holding company act for health care service contractors and health maintenance organizations. (Commissioner's Regulatory Account)

6. Access to Insurance Information - Funding is provided to facilitate direct access to a variety of insurance information including ratings, complaint data and company profiles via the Internet. Funding will also be used to address increased internal agency demands for information service support functions. (Commissioner's Regulatory Account)

7. Insurance e-Commerce Regulation - Funding is provided to allow the Office of Insurance Commissioner to work with industry representatives, the National Association of Insurance Commissioners, and stakeholders to recommend changes to the insurance code that would allow the industry to use the Internet to conduct business, address electronic commerce issues, and maintain consumer protection. (Commissioner's Regulatory Account)

8. Insurance Examiner Salaries - Funding is provided for salary reclassifications for insurance examiners. (Commissioner's Regulatory Account)

2001-03 Omnibus Operating Budget
Office of Insurance Commissioner

Wednesday, June 20, 2001
4:31 pm

9. Consolidation and Co-location Costs - Funds are provided to consolidate and renovate facilities for the co-location of Olympia-area staff of the Office of Insurance Commissioner. The actual expenditure level, within this appropriation, shall be determined jointly with the Department of General Administration. (Insurance Commissioner's Regulatory Account)

10. HelpLine Volunteer Network - State Health Insurance Benefits Advisors (SHIBA) HelpLine volunteers serve consumers statewide. Additional funding is provided for 25 sponsoring organizations to continue coordination and administration of the SHIBA volunteer and community networks. (Commissioner's Regulatory Account)

2001-03 Omnibus Operating Budget
State Board of Accountancy
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	1,304	1,304
2001-03 Carryforward Level	0	1,291	1,291
2001-03 Maintenance Level	0	1,371	1,371
Policy Changes:			
1. General Inflation	0	-10	-10
2. Revise Public Accountancy Act	0	355	355
Total Policy Changes	0	345	345
Total 2001-03 Biennium	0	1,716	1,716

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Certified Public Accountants' Account)

2. Revise Public Accountancy Act - Funding is provided for the Board of Accountancy to conduct rulemakings, set license fees and distribute consumer alert/public protection information in accordance with E2SSB 5593. (Certified Public Accountants' Account)

2001-03 Omnibus Operating Budget
Forensic Investigations Council
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	272	272
2001-03 Carryforward Level	0	272	272
2001-03 Maintenance Level	0	276	276
Total 2001-03 Biennium	0	276	276

Comments:

2001-03 Omnibus Operating Budget
Washington Horse Racing Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	4,733	4,733
2001-03 Carryforward Level	0	4,790	4,790
2001-03 Maintenance Level	0	4,518	4,518
Policy Changes:			
1. General Inflation	0	-14	-14
Total Policy Changes	0	-14	-14
Total 2001-03 Biennium	0	4,504	4,504

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Horse Racing Commission Account)

2001-03 Omnibus Operating Budget
WA State Liquor Control Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,657	142,645	145,302
2001-03 Carryforward Level	2,678	138,126	140,804
2001-03 Maintenance Level	2,975	143,811	146,786
Policy Changes:			
1. General Inflation	-8	-271	-279
2. Merchandising Business System	0	4,803	4,803
3. Regional Wholesale Center	0	260	260
4. Transition Training	0	108	108
5. Aged Vehicle Replacement	0	556	556
6. Provide Quality Enforcement	0	67	67
7. Agency Commission Increase	0	928	928
Total Policy Changes	-8	6,451	6,443
Total 2001-03 Biennium	2,967	150,262	153,229

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Liquor Revolving Account)

2. Merchandising Business System - Funding is provided for a new merchandising business system (MBS) and data marts that will link merchandising, distribution center activities, and financial activities into a fully automated retail system. (Liquor Revolving Account-Appropriated)

3. Regional Wholesale Center - Funding is provided for the establishment of a regional wholesale center in Seattle's Store 101. Retail operations and sales will continue at Store 101, but the Store Development Program will be relocated to free up space for the establishment of a wholesale center. (Liquor Revolving Account-Appropriated)

4. Transition Training - One-time funding is provided for employees within the board's Information Technology Services Division to receive training in client/server and web based technology platforms. The board is transitioning from a mainframe to a client-server platform with web-enabled applications for e-commerce purposes using current technologies. (Liquor Revolving Account-Appropriated)

5. Aged Vehicle Replacement - One-time funding is provided for the replacement of thirty-two vehicles when they reach five years and/or 100,000 miles of service. (Liquor Revolving Account)

6. Provide Quality Enforcement - One-time funding is provided for all enforcement staff to undergo two-day community policing training tailored to liquor enforcement. Eight enforcement officers will receive an additional one day community policing training session designed to prepare them to serve as instructors. (Liquor Revolving Account)

7. Agency Commission Increase - Funding is provided for increased commissions, paid to agency liquor vendor stores, to reflect a rate increase of six percent. Retail sale of liquor is managed through 157 state-run agency stores and 157 independently owned agencies that contract to sell liquor. Agency store owners are paid a commission, a portion of which is based upon liquor sales. Currently, sales up to \$10,500 generate 20.914 percent commissions; sales from \$10,500 to \$21,000 generate 7.315 percent commissions; and sales over \$21,000 generate 5.683 percent commissions for agency liquor vendor store owners. The agency liquor vendor store commission rate has not been increased since 1996. (Liquor Revolving Account-Appropriated)

2001-03 Omnibus Operating Budget
Utilities and Transportation Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	28,361	28,361
2001-03 Carryforward Level	0	27,789	27,789
2001-03 Maintenance Level	0	28,786	28,786
Policy Changes:			
1. Cost Accounting System	0	170	170
2. Transportation Process Study	0	134	134
3. Pipeline Safety Program *	0	1,962	1,962
4. General Inflation	0	-111	-111
5. Pipeline Safety Program Review	0	294	294
Total Policy Changes	0	2,449	2,449
Total 2001-03 Biennium	0	31,235	31,235

Comments:

1. Cost Accounting System - Funding is provided for a consultant to study the agency's requirements for regulatory and financial information. The study would include recommendations for integration with existing statewide applications, and development of a new system. The new cost accounting system will be implemented following completion of the study. (Public Service Revolving Account)

2. Transportation Process Study - Funding is provided for an additional staff person to perform a study of the business processes in the transportation programs and to support development of a new application in the second year of the biennium. (Public Service Revolving Account)

3. Pipeline Safety Program * - Funding is provided to the commission for pipeline safety in Washington. With passage of the Washington Pipeline Safety Act 2000, the commission has taken on additional responsibilities, including interstate pipeline inspection. In July 2000, the commission signed an agreement with the federal office of pipeline safety authorizing state inspectors to inspect interstate natural gas and hazardous liquid pipelines. The 2000 Legislature provided funding to implement interstate pipeline safety activities and directed the commission to develop a proposal to collect a fee from the regulated industries to cover the costs of interstate pipeline safety regulation in the future. This program is supported by the fees that are deposited into the pipeline safety account as directed by Substitute Senate Bill No. 5182 (pipeline safety). (Pipeline Safety Account-State, Pipeline Safety Account-Federal)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Public Service Revolving Account)

5. Pipeline Safety Program Review - One-time funding is provided for an interagency agreement with the Joint Legislative Audit and Review Committee for a review of staff use, inspection activity, fee methodology, and costs of the hazardous liquid and gas pipeline safety programs. (Pipeline Safety Account--State)

2001-03 Omnibus Operating Budget
Board for Volunteer Firefighters
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	587	587
2001-03 Carryforward Level	0	593	593
2001-03 Maintenance Level	0	568	568
Policy Changes:			
1. General Inflation	0	-2	-2
2. Internet Website	0	3	3
Total Policy Changes	0	1	1
Total 2001-03 Biennium	0	569	569

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Volunteer Firefighters' and Reserve Officers' Administrative Account)

2. Internet Website - Funding is provided for the agency to develop an Internet web site that provides volunteer firefighters and fire departments with better access to information, report forms, and e-mail. (Volunteer Firefighters' and Reserve Officers' Administrative Account)

2001-03 Omnibus Operating Budget
Military Department
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	22,912	99,610	122,522
2001-03 Carryforward Level	17,716	39,328	57,044
2001-03 Maintenance Level	17,993	43,815	61,808
Policy Changes:			
1. General Inflation	-115	-179	-294
2. Information Technology Staff	183	0	183
3. Yakima Armory Support	128	0	128
4. Caretaker Support	125	0	125
5. Reduce Emergency Mgmt Training	-36	-18	-54
6. Reduce Maintenance of Armories	-230	0	-230
7. Reduction in Maintenance and Repair	-24	-74	-98
8. Earthquake Response & Recovery	0	195,679	195,679
9. Emergency Management Compact #	120	0	120
Total Policy Changes	151	195,408	195,559
Total 2001-03 Biennium	18,144	239,223	257,367

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)

2. Information Technology Staff - Funding is provided for the Military Department to hire an additional information technology staff person to improve the coordination and integration of their information technology activities. The Department currently has three distinct, federally funded information technology networks that are responsible for the Army National Guard, the Air National Guard, and the Emergency Management Network for state emergencies.

3. Yakima Armory Support - Funding is provided for maintenance and operating costs of the new Army National Guard Readiness Center in Yakima, which is planned to open in August 2001.

4. Caretaker Support - Currently, the Army National Guard armories are cleaned once each month by Army National Guard soldiers. Funding is provided for contracted janitorial services at thirty armories across the state.

5. Reduce Emergency Mgmt Training - The Emergency Management Division of the Military Department will reduce travel reimbursements to approximately 250 students of general emergency management and search and rescue training.

6. Reduce Maintenance of Armories - Maintenance and operations expenditures of armories is reduced.

7. Reduction in Maintenance and Repair - The Air National Guard will reduce maintenance and repair staff by one position. (General Fund-State, General Fund-Federal)

8. Earthquake Response & Recovery - Funding is provided from the Nisqually Earthquake Account for costs associated with the response and recovery activities as a result of the February 28, 2001 earthquake. Of the Nisqually Earthquake Account-State amount, \$898,000 is provided as the hazard mitigation state matching share for state agencies, \$449,000 is provided for one half of the hazard mitigation local matching share for local entities, \$20.8 million is provided as the public assistance state matching share for state agencies, and \$14.4 million is provided as one half of the public assistance local matching share for local entities. (Nisqually Earthquake Account - State, Nisqually Earthquake Account - Federal)

2001-03 Omnibus Operating Budget
Military Department

Wednesday, June 20, 2001
4:31 pm

9. Emergency Management Compact # - SB 5256 (emergency management assistance compact) authorizes the Military Department to enter into interstate compacts for mutual aid during disasters or emergencies. One-time funding is provided for a staff position to assist with the development of these agreements.

2001-03 Omnibus Operating Budget
Public Employment Relations Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	4,251	0	4,251
2001-03 Carryforward Level	4,307	0	4,307
2001-03 Maintenance Level	4,299	0	4,299
Policy Changes:			
1. General Inflation	-13	0	-13
2. Office Space Increase	32	0	32
Total Policy Changes	19	0	19
Total 2001-03 Biennium	4,318	0	4,318

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Office Space Increase - Funding is provided for increased square footage in the Olympia office.

2001-03 Omnibus Operating Budget
Growth Management Hearings Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,899	0	2,899
2001-03 Carryforward Level	2,894	0	2,894
2001-03 Maintenance Level	3,014	0	3,014
Policy Changes:			
1. General Inflation	-11	0	-11
Total Policy Changes	-11	0	-11
Total 2001-03 Biennium	3,003	0	3,003

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
State Convention and Trade Center
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	32,313	32,313
2001-03 Carryforward Level	0	35,182	35,182
2001-03 Maintenance Level	0	67,734	67,734
Total 2001-03 Biennium	0	67,734	67,734

Comments:

2001-03 Omnibus Operating Budget
WA State Health Care Authority
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	13,165	591,586	604,751
2001-03 Carryforward Level	13,117	647,143	660,260
2001-03 Maintenance Level	13,323	699,411	712,734
Policy Changes:			
1. Insurance System Upgrade	0	3,635	3,635
2. PEBB Administration	0	250	250
3. Basic Health Alternative Contracts	0	2,553	2,553
4. UMP Pharmacy Benefit Management	0	170	170
5. Basic Health Co-Pay and Subsidy	0	-2,622	-2,622
6. Administrative Efficiencies	-6	-1,085	-1,091
7. General Inflation	-8	-187	-195
8. Basic Health Plan Adjustment	0	-32,547	-32,547
Total Policy Changes	-14	-29,833	-29,847
Total 2001-03 Biennium	13,309	669,578	682,887

Comments:

1. Insurance System Upgrade - The budget provides funding to enable the Health Care Authority (HCA) to contract for a new insurance eligibility and member management information system for the Basic Health and the Public Employees Benefit health plans, in part to address the new requirements of the Health Insurance Portability and Accountability Act. (Health Care Authority Administrative Account-State, Health Services Account-State)

2. PEBB Administration - The Public Employees Benefit Board (PEBB) program enrollment for retirees and self pay enrollees has increased over twenty percent since 1996. The Health Care Authority (HCA) workload for these groups, including enrollment and account maintenance services, is much higher than for state employees. The budget funds a medical program specialist position to develop tools and processes, in conjunction with a new information system, to improve customer service. The budget also funds two FTEs (four positions) to assist with customer inquiries and plan changes during open enrollment periods. The HCA is also directed to review whether the portion of retiree premiums assessed for administrative costs is adequate to fund the expenses incurred in providing services to retirees. (Health Care Authority Administrative Account-State)

3. Basic Health Alternative Contracts - Funding is provided for the Basic Health Plan (BHP) to develop and implement alternative purchasing strategies in areas of the state where managed care contractors might otherwise not be available for BHP enrollees. As authorized during the 2000 legislative session, this may include strategies such as differential geographic rating of bids; and direct negotiation with plans and provider networks in areas where there are not sufficient competitive bids. (Health Services Account-State)

4. UMP Pharmacy Benefit Management - The Uniform Medical Plan (UMP) pharmacy claims costs have increased 28 percent from 1998 to 1999, as compared to 17 to 20 percent pharmacy increases nationwide. In order to better manage pharmacy costs, the budget provides funding for the UMP to contract with a pharmacy consultant to develop a pharmaceutical use policy and utilization review system and provide ongoing data analysis and recommendations for pharmacy benefit design and utilization management. (Uniform Medical Plan Benefits Administration Account-Nonappropriated)

5. Basic Health Co-Pay and Subsidy - Enrollee co-pays are to be increased to \$3 (from \$1) for vitamins and antibiotics, and to \$7 (from \$5) for generic drugs and contraceptives. Basic Health Plan subsidy levels are not reduced from their current level. (Health Services Account-State, Basic Health Plan Trust Account - non-appropriated)

6. Administrative Efficiencies - The Health Care Authority's central administration is reduced by 2 percent, as proposed by the Governor. Additionally, funding for research and planning is reduced to reflect actual 1999-01 spending levels. (General Fund-State, General Fund-Federal, Health Care Authority Administrative Account-State, Health Services Account-State)

2001-03 Omnibus Operating Budget
WA State Health Care AuthorityWednesday, June 20, 2001
4:31 pm

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for the performance of their mission. (General Fund-State, Health Services Account-State, Health Care Authority Administrative Account-State)

8. Basic Health Plan Adjustment - Beginning in January 2002, an average of 125,000 people are to be enrolled in the subsidized Basic Health Plan, rather than an average of 133,200 as originally budgeted. The lower enrollment level is to be achieved through a policy of admitting only two new enrollees from the waiting list for every three persons who leave the program, until the targeted enrollment level is reached. (Health Services Account-State; Basic Health Plan Trust Account - non-appropriated)

2001-03 Omnibus Operating Budget
Human Rights Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	5,346	1,630	6,976
2001-03 Carryforward Level	5,361	1,650	7,011
2001-03 Maintenance Level	5,418	1,644	7,062
Policy Changes:			
1. General Inflation	-30	0	-30
Total Policy Changes	-30	0	-30
Total 2001-03 Biennium	5,388	1,644	7,032

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Bd of Industrial Insurance Appeals
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	23,940	23,940
2001-03 Carryforward Level	0	24,741	24,741
2001-03 Maintenance Level	0	25,395	25,395
Policy Changes:			
1. General Inflation	0	-146	-146
2. Upgrade Information Technology	0	1,013	1,013
3. Increase in Appeals Workload	0	2,066	2,066
4. Temp Costs for Cockle Decision	0	1,078	1,078
Total Policy Changes	0	4,011	4,011
Total 2001-03 Biennium	0	29,406	29,406

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Accident Account, Medical Aid Account)

2. Upgrade Information Technology - Technology infrastructure enhancements are funded to improve business processes. The implementation of a continuous replacement cycle of information technology items will enable upgrades to cables, networks, web servers and wide area network. (Accident Account, Medical Aid Account)

3. Increase in Appeals Workload - The number of appeals heard by the Board of Industrial Insurance Appeals is increasing. Funding is provided for six additional judges and six support staff to help the agency provide services to workers, employers, and other parties who dispute the Department of Labor and Industries' workers' compensation decisions before the board. (Accident Account, Medical Aid Account)

4. Temp Costs for Cockle Decision - One-time funding for fiscal year 2002 is provided for the cost of implementing a recent state Supreme Court ruling regarding the calculation of workers' compensation benefits. The Department of Labor and Industries is to develop and recommend statutory language to the Legislature by October 1, 2001, that provides greater certainty in the calculation of workers' compensation benefits. (Accident Fund and Medical Aid Fund)

2001-03 Omnibus Operating Budget
Criminal Justice Training Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	18,162	18,162
2001-03 Carryforward Level	0	18,430	18,430
2001-03 Maintenance Level	0	17,923	17,923
Policy Changes:			
1. Vendor Rate Increase - WASPC	0	31	31
2. General Inflation	0	-311	-311
3. Certification/Decertification #	0	374	374
4. School Mapping	0	450	450
5. Vendor Rate Increase - Food Service	0	22	22
6. Methamphetamine Initiative	0	233	233
7. School Safety Training	0	65	65
8. WASPC - Increased Training	0	124	124
9. Prosecutors - Increased Training	0	136	136
Total Policy Changes	0	1,124	1,124
Total 2001-03 Biennium	0	19,047	19,047

Comments:

1. Vendor Rate Increase - WASPC - Funding is provided to increase the salaries of Washington Association of Sheriffs and Police Chiefs (WASPC) staff who are funded through the Commission but who are not Commission employees. Rates will be increased by 2.1 percent on July 1, 2001, and an additional 2.3 percent on July 1, 2002. (Public Safety and Education Account)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Public Safety and Education Account)

3. Certification/Decertification # - Funding is provided for the implementation of HB 1062 (certification of peace officers), which establishes a certification and decertification process for peace officers. (Public Safety and Education Account-State)

4. School Mapping - Funding is provided for the Washington Association of Sheriffs and Police Chiefs to implement school mapping, or electronic pre-incident plans, for K-12 schools. (Public Safety and Education Account-State)

5. Vendor Rate Increase - Food Service - The Commission's food service provider will have their rates increased by 2.1 percent on July 1, 2001 and an additional 2.3 percent on July 1, 2002. (Public Safety and Education Account)

6. Methamphetamine Initiative - Funding is provided for the establishment of a training program designed to enhance the ability of local governments to respond to methamphetamine issues. (Public Safety and Education Account)

7. School Safety Training - Funding is provided to establish regionalized training programs for school district and local law enforcement officials on school safety issues. (Public Safety and Education Account)

8. WASPC - Increased Training - Funding is provided for the Washington Association of Sheriffs and Police Chiefs to increase the technical and training support provided to local criminal justice agencies for the use of the Washington Incident-Based Reporting System and the National Incident-Based Reporting System. (Public Safety and Education Account-State)

9. Prosecutors - Increased Training - Funding is provided to the Washington Association of Prosecuting Attorneys to increase training provided to the criminal justice community, including prosecutors, law enforcement, judges, fish and wildlife officers, corrections staff, school personnel, and Department of Social and Health Services employees. (Public Safety and Education Account-State)

2001-03 Omnibus Operating Budget
Department of Labor and Industries
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	15,061	421,974	437,035
2001-03 Carryforward Level	15,227	419,603	434,830
2001-03 Maintenance Level	15,510	429,382	444,892
Policy Changes:			
1. Consumer Protection/Contractors *	268	0	268
2. Improving Claims Collection	0	2,690	2,690
3. Internet Filing of Claims	0	1,520	1,520
4. Internet Payment of Premiums	0	1,394	1,394
5. Faster Pension Benefits	0	2,352	2,352
6. Critical Safety and Health Data	0	2,942	2,942
7. Internet Registration and Licensing	0	445	445
8. General Inflation	-38	-2,063	-2,101
9. Expanding Apprenticeship	0	1,250	1,250
10. Sexually Violent Predator Victims	0	53	53
11. Replace Incompatible Computers	0	3,868	3,868
12. Program Reductions	-320	0	-320
13. Increase for Crime Victims Comp	0	3,014	3,014
14. Temp Cost for Cockle Decision	0	2,876	2,876
15. Cut Occupational Safety Grants	0	-10,000	-10,000
Total Policy Changes	-90	10,341	10,251
Total 2001-03 Biennium	15,420	439,723	455,143

Comments:

1. Consumer Protection/Contractors * - Funding is provided for activities to increase consumer awareness of available legal protection and contractor awareness of legal obligations. Funding is also provided to increase enforcement against unregistered contractors.

2. Improving Claims Collection - Funding is provided to replace the claims accounts receivable system which is used to collect \$8.5 million in yearly overpayments of workers' compensation claims and to recover \$17 million per year in workers' compensation costs from third parties. The new system will facilitate computation and collection of interest on outstanding claims. The system is expected to increase post-implementation revenues by \$1,092,000 per year. (Accident Account, Medical Aid Account)

3. Internet Filing of Claims - Funding is provided for a study to assess the feasibility of using electronic commerce to exchange information, which may include claim-related reports, forms and bills and department information. Based on the results of the feasibility study, one or more components of the recommended solution would be implemented on a pilot basis. (Accident Account, Medical Aid Account)

4. Internet Payment of Premiums - Funding is provided to develop systems that allow employers to file and pay workers' compensation premiums via the Internet. Features to be included in the system are the development of an interface with automatic-error checking, a secure encrypted environment, online help, and automated electronic payment methods. (Accident Account, Medical Aid Account)

5. Faster Pension Benefits - Under the workers' compensation program, pensions are provided to 17,500 permanently disabled workers and surviving beneficiaries. Funding is provided to develop a new pension payment system to replace a manual system that is being used to calculate and process pensions. (Accident Account, Medical Aid Account)

2001-03 Omnibus Operating Budget
Department of Labor and Industries

6. Critical Safety and Health Data - Funding is provided for a computer data system that will be used to track workplace safety and health activities, manage resources, and identify the most hazardous industries. The system will also provide data to other Labor and Industries' information systems and interface with a federal safety and health data system developed by the U.S. Occupational Safety and Health Administration. (Accident Account, Medical Aid Account)

7. Internet Registration and Licensing - Funding is provided to develop a computer system that would allow electrical contractors to apply for licenses using the Internet. The new system will provide contractors with 24-hour access and improve accuracy and speed through automation. (Electrical License Account)

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund--State, Other Funds)

9. Expanding Apprenticeship - A grant program is established for new apprenticeship and pre-apprenticeship programs in new and emerging technologies to help meet the state's need for skilled and qualified workers. Additionally, new apprenticeship programs will be developed for non-traditional areas such as telecommunications, child care services, and public services. (General Fund-Federal)

10. Sexually Violent Predator Victims - Funding is provided to implement HB 1271 (victims' compensation) which allows victims involved in the civil commitment process of sexually violent predators to access benefits under the Crime Victims Compensation Act. (Public Safety and Education Account-State)

11. Replace Incompatible Computers - Funding is provided to lease 1,400 new personal computers, to update 1,400 other computers, and to support migration to Windows 2000. In the 1999-01 biennium, Labor and Industries received an appropriation to begin implementation of a continuous three-year replacement cycle for computers and this item provides funding to continue that replacement cycle. (Accident Account, Medical Aid Account)

12. Program Reductions - Factory assembled structures inspection activities and contractor registration hotline staff are reduced.

13. Increase for Crime Victims Comp - Funding is increased for victims of violent crimes. This amount covers expected inflation, growth in claim costs for medical, time-loss, and pension benefits. (Public Safety & Education Account-State, Public Safety & Education Account-Federal, Public Safety & Education Account-Private/Local)

14. Temp Cost for Cockle Decision - One-time funding for fiscal year 2002 is provided for the cost of implementing a recent state Supreme Court ruling regarding the calculation of workers' compensation benefits. The Department of Labor and Industries is to develop and recommend statutory language to the Legislature by October 1, 2001, that provides greater certainty in the calculation of workers' compensation benefits. (Accident Fund and Medical Aid Fund)

15. Cut Occupational Safety Grants - Funding for occupational health and safety grants in the carry forward level budget is eliminated. (Medical Aid Account)

2001-03 Omnibus Operating Budget
Indeterminate Sentence Review Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,923	0	1,923
2001-03 Carryforward Level	1,946	0	1,946
2001-03 Maintenance Level	2,004	0	2,004
Policy Changes:			
1. General Inflation	-6	0	-6
Total Policy Changes	-6	0	-6
Total 2001-03 Biennium	1,998	0	1,998

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Department of Health
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	130,159	442,751	572,910
2001-03 Carryforward Level	132,112	468,205	600,317
2001-03 Maintenance Level	133,088	479,546	612,634
Policy Changes:			
1. WIC Program Efficiencies	-418	0	-418
2. Reduce Teen Pregnancy Grants	-1,116	0	-1,116
3. Community Wellness and Prevention	-68	0	-68
4. Reduce EMS Coordination Activities	-214	0	-214
5. Reduce StateTrauma Administration	-714	0	-714
6. Federal Revenue	0	1,173	1,173
7. Technology for Newborn Screen	0	660	660
8. Consolidate Water Lab Testing	-307	0	-307
9. Safe Drinking Water Fed Compliance	2,876	0	2,876
10. Delay Shellfish Database	-60	0	-60
11. American Legacy Foundation Grant	0	1,443	1,443
12. Regulating Meth Precursor Drug #	13	0	13
13. Reduce Acute Care Education	-162	0	-162
14. Eliminate Rural Health Data Book	-38	0	-38
15. Medicare Designation Start-Up	-177	0	-177
16. Child Health Enhancements	166	10,444	10,610
17. AIDS Prescription Drug Increase	1,031	808	1,839
18. DSHS/DASA Appropriation Transfer	340	0	340
19. General Inflation	-517	-482	-999
20. Administrative Reductions	-840	0	-840
21. Create Child Development Office	-882	0	-882
22. Infant & Children Product Safety	150	0	150
23. Workplace Breastfeeding Policy	83	0	83
24. Health Professions Acct Legislation	0	248	248
25. Dental Sealants	0	72	72
26. Tobacco Control Plan	0	5,000	5,000
27. DNA Task Force	15	0	15
Total Policy Changes	-839	19,366	18,527
Total 2001-03 Biennium	132,249	498,912	631,161

Comments:

1. WIC Program Efficiencies - During the summer of 2000, the Department of Health began providing "help desk" support for Womens, Infants and Children (WIC) clinics with state employees, rather than contracting for the service. The change has resulted in the identified efficiency savings, with no reduction reported in the level of support provided to clinics.

2. Reduce Teen Pregnancy Grants - Direct grant support from the Department of Health for nine of the ten teen pregnancy prevention projects in urban and rural communities is discontinued. Similar efforts are to be supported with TANF block grant funding from the Department of Social and Health Services. Department of Health teen pregnancy prevention efforts will be refocused on statewide activities such as information development and dissemination, web page communications, parenting education, some family planning services, and a reduced program evaluation effort.

3. Community Wellness and Prevention - Assessment, evaluation and surveillance for Community Wellness and Prevention Programs are discontinued.

2001-03 Omnibus Operating Budget
Department of Health

4. Reduce EMS Coordination Activities - State general funds will no longer be provided to the Regional Emergency Medical Services and Trauma Care Councils to promote emergency medical dispatch training; to participate in local and regional disaster preparedness training; or to support quality improvement initiatives.

5. Reduce State Trauma Administration - Funding for state-level oversight, coordination, and state-office assistance to the regional trauma networks is reduced by 20%. Such a reduction in state-level activity is warranted, since the start-up work necessary to establish a well-functioning statewide trauma system has been largely accomplished. Standards, protocols, and training curricula have been developed; data systems established; and trauma providers certified in all regions.

6. Federal Revenue - Federal grants have been awarded to the Department of Health for: Early Hearing Detection and Intervention, State-Based Birth Defects Surveillance Program, Improving Data Quality in Pesticide Illness, and Federal Domestic Violence for Pregnant Women. (General Fund-Federal)

7. Technology for Newborn Screen - The Department of Health will begin using non-radioactive tests to screen for certain conditions among newborns, in order to eliminate the need to dispose of radioactive wastes. The new test is more expensive than the old, radioactive technology. As a result, the fee for newborn screening is expected to increase to \$38.20 from the current level of \$33.80. (General Fund-Private/Local)

8. Consolidate Water Lab Testing - The Department of Health (DOH) operates a program which certifies drinking water testing laboratories, and maintains its own drinking water laboratory to support the certification program. During the first year of the biennium, the separate DOH certification program and laboratory will be closed, and merged with the other environmental laboratory certification programs operated by the Department of Ecology. Savings will result from the greater economies of scale possible under the larger, merged program.

9. Safe Drinking Water Fed Compliance - Under state law and agreement with the federal government, the Department of Health is responsible for enforcing federal Safe Drinking Water Act provisions, which apply to the approximately 5 million citizens of the state who rely upon water systems which serve 15 or more connections. The number of contaminants subject to federal regulation is scheduled to increase by 20 percent between 1996 and 2002, and new rules regarding groundwater safety must be fully implemented in 2001-03. This item provides funding for contracted technical support to assist local water systems implement the new requirements; additional state staff to monitor compliance; and \$1.6 million of new state funding to assist local jurisdictions continue and improve their role in assuring the safety of small water systems, which serve approximately 100,000 of the state's residents.

10. Delay Shellfish Database - The Department of Health Shellfish Program is developing an integrated database for water quality and other program elements, including biotoxins and licensing of commercial shellfish growers. The water quality portion of the database has been completed. The development of the remaining portions of the database will be extended over a longer period.

11. American Legacy Foundation Grant - The American Legacy Foundation has awarded the state a three-year grant totaling \$2.25 million under the Statewide Youth Movement Against Tobacco Use Initiative. The department, through its subcontract with the University of Washington, will foster a statewide youth empowerment initiative by creating regional teams to develop media efforts to reduce youth tobacco use. Partner organizations will include school districts, voluntary community organizations, voluntary health organizations and universities. (General Fund-Private/Local)

12. Regulating Meth Precursor Drug # - Chapter 96, 2001 Laws (sale of precursor drugs) restricts the purchase in large quantities of certain over-the-counter medications which are sometimes used in the manufacture of methamphetamine. Funding is provided for the Department of Health to develop regulations implementing the new law.

13. Reduce Acute Care Education - The Regional Trauma Care Councils will no longer receive designated funding for training of acute care and rehabilitation facility personnel. Trauma and rehabilitation facilities can use other state funds which they receive from trauma participation grants for this training.

14. Eliminate Rural Health Data Book - The Rural Health Data Book contains information on health status and systems, and has been produced every two years. Funding for this publication is eliminated.

15. Medicare Designation Start-Up - This item eliminates the state share of the start-up funding which was provided at the beginning of the 1999-01 biennium to assist small rural hospitals prepare for the "critical access hospital" designation which would enable them to qualify for higher federal Medicare payments. Approximately \$450,000 per year of federal funding subsequently became available for the same purpose in 1999-01.

2001-03 Omnibus Operating Budget
Department of Health

16. Child Health Enhancements - Funding is provided to add the new pneumococcal conjugate vaccine to the list of state-funded vaccines. Under the "universal distribution" policy first adopted by Washington in the 1991 budget, the state makes medically-recommended childhood vaccines available free of charge for all children through age five. Inclusion of a vaccine on the universal distribution list means that all doses used in the state may be purchased at the federal discount rate, which is substantially lower than if they were purchased privately. In addition, health care providers are freed from the administrative burden of separately accounting for the income and insurance status of immunized children. The pneumococcal conjugate vaccine has been determined by the federal Centers for Disease Control to be cost-effective in the prevention of meningitis, middle ear, blood stream, and sinus infections among children under age two. (General Fund-State, Health Services Account-State)

17. AIDS Prescription Drug Increase - The AIDS Prescription Drug Program uses state and federal funds to pay for prescription medications, laboratory services, and outpatient medical care for persons with HIV infection and incomes below 370 percent of the federal poverty level. Enrollment in the program is increasing by about 14 percent per year, and is expected to reach 2,600 by the end of the 2001-03 biennium. Expenditures per enrollee are expected to increase by about 3 percent per year, primarily because a larger share of enrollees are expected to receive insurance coverage through the high-risk pool. (General Fund-State, General Fund-Federal, General Fund-Local)

18. DSHS/DASA Appropriation Transfer - Funding is transferred from Department of Social and Health Services Division of Alcohol and Substance Abuse (DSHS/DASA) to the Department of Health (DOH), for screening by providers aimed at reducing perinatal substance abuse.

19. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal, General Fund-Local, Health Professions Account)

20. Administrative Reductions - Administrative reductions will occur throughout the Department and at the State Board of Health. Examples of these reductions may include, but are not limited to, changing business practices, reducing levels of policy support, limiting the use of consulting services, and implementing efficiency measures for mailings and publications.

21. Create Child Development Office - Child care and early learning programs from the Department of Social and Health Services (DSHS), the Department of Health, and the Office of Financial Management are consolidated into a new division within the DSHS Economic Services Program. This division will coordinate and increase the focus of child care and early learning programs on quality and availability of care.

22. Infant & Children Product Safety - Funds are provided to establish and maintain a safety education campaign pursuant to the criteria established in Chapter 257, 2001 Laws (infant and child products). The campaign will promote awareness of products designed to be used by infants and children that have been determined to be unsafe by the consumer products safety commission.

23. Workplace Breastfeeding Policy - Funds are provided for the Department of Health to develop and implement infant-friendly designations for state and local governments and businesses who support a workplace breastfeeding policy as established in Chapter 88, 2001 Laws (breastfeeding).

24. Health Professions Acct Legislation - Funding is provided to implement the provisions of the following bills: Chapter 22, 2001 Laws (hemodialysis technicians); SHB 1759 (sale of hypodermic syringes); Chapter 248, 2001 Laws (controlled substance orders); Chapter 297, 2001 Laws (animal therapy); and Chapter 251, 2001 Laws (social workers & counselors). (Health Professions Account-State)

25. Dental Sealants - Chapter 93, 2001 Laws (access to dental care) authorizes registered dental hygienists to administer dental sealants and fluoride varnishes without a dentist's supervision in schools with a significant percentage of low-income students. Funding is provided for the Department of Health to develop a training and certification program for newly-licensed hygienists and dental assistants who wish to perform this service. This cost is to be covered with applicant fees. (Health Professions Account-State)

26. Tobacco Control Plan - Expenditures on the state's efforts to reduce and prevent tobacco use are increased to \$17.5 million per year. Funding for this purpose comes from the \$100 million of national tobacco settlement revenues, which the 1999 Legislature directed be deposited into a special interest-bearing account dedicated to the prevention and reduction of tobacco use. (Tobacco Prevention and Control Account-State)

27. DNA Task Force - The State Board of Health is to convene a task force on policy issues associated with human deoxyribonucleic acid (DNA) information. The task force is to research and recommend policies for consideration by the Legislature regarding how to safeguard individuals from discrimination and invasion of privacy based on individual genetic information, while continuing to support uses of the information which promote public health and safety. Funding is provided to support task force travel and other operating costs.

2001-03 Omnibus Operating Budget
Department of Veterans' Affairs
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	20,745	41,352	62,097
2001-03 Carryforward Level	20,667	41,782	62,449
2001-03 Maintenance Level	20,238	42,587	62,825
Policy Changes:			
1. Vendor Rate Increase	98	0	98
2. Bed Conversion	-616	2,364	1,748
3. PTSD Counseling	0	74	74
4. Homeless Veterans Grant	0	155	155
5. Statewide Outreach	36	0	36
6. Eastern Washington Veterans Home	0	11,041	11,041
Total Policy Changes	-482	13,634	13,152
Total 2001-03 Biennium	19,756	56,221	75,977

Comments:

1. Vendor Rate Increase - The budget provides funding for a 2.1 percent inflationary increase effective July 2001, and a second 2.3 percent increase effective July 2002, for organizations which contract with the Department of Veterans Affairs to provide support services for homeless veterans; post traumatic stress counseling; and assistance with applications for federal benefits.

2. Bed Conversion - The Department of Veterans Affairs will reconfigure 65 beds at the state veterans' homes to provide a higher level of nursing care. The additional cost of providing a higher level of care will be offset by additional federal revenues and higher pension benefits for residents, resulting in a net savings to the state general fund. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

3. PTSD Counseling - The agency has received funding from King County to provide additional post-traumatic stress disorder (PTSD) treatment services in the county. (General Fund-Private/Local)

4. Homeless Veterans Grant - Federal grant funds have been obtained to provide additional services for homeless veterans. (General Fund-Federal)

5. Statewide Outreach - Funding is provided to recruit and train additional volunteers who will assist veterans in under-served areas obtain federal benefits for which they are eligible.

6. Eastern Washington Veterans Home - Funding is provided for acquisition and operation of a new state facility to serve veterans. The department will acquire an existing nursing facility in the Spokane area through a lease-purchase arrangement, and operate it with a combination of federal funding, resident charges, and state and federal Medicaid payments. All amounts appropriated for the eastern Washington home lapse if the financing contract for acquisition of the home is not included in the capital budget for the 2001-03 fiscal biennium. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2001-03 Omnibus Operating Budget
Department of Corrections
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	951,426	66,675	1,018,101
2001-03 Carryforward Level	978,201	55,949	1,034,150
2001-03 Maintenance Level	1,048,907	37,735	1,086,642
Policy Changes:			
1. Vendor Rate Increase	1,774	0	1,774
2. General Inflation	-5,974	-150	-6,124
3. Tracking System Replacement Phase 2	9,246	3,254	12,500
4. Efficiency and Quality Initiatives	-3,186	0	-3,186
5. Equipment Savings	-1,858	0	-1,858
6. Cost of Incarceration Funds	-5,568	0	-5,568
7. Medical Payments	-831	0	-831
8. Offender Legal Services	-1,192	0	-1,192
9. Correctional Industries	-1,888	0	-1,888
10. Interstate Supervision Compact #	60	0	60
11. Sex Offender Sentencing #	98	0	98
Total Policy Changes	-9,319	3,104	-6,215
Total 2001-03 Biennium	1,039,588	40,839	1,080,427

Comments:

1. Vendor Rate Increase - Funding is provided to increase the rates paid to vendors such as education and chemical dependency providers and work release operators by 2.1 percent on July 1, 2001, and an additional 2.3 percent on July 1, 2002.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)

3. Tracking System Replacement Phase 2 - The Offender-Based Tracking System (OBTS) is the primary information system used by the Department of Corrections to track and manage offenders in prisons and in the community. Currently, the system supports approximately 5,900 users who supervise 15,000 incarcerated offenders and roughly 55,000 offenders in the community. Funding is provided for the second phase of a project to replace OBTS with the new Offender Management Network Information (OMNI) system, which is expected to improve the Department's reporting capabilities, reduce data entry efforts and redirect staff time towards offender supervision. In addition to the provided funding, the Department will utilize \$1.2 million from the Savings Incentive Account for the project. The full cost of the OMNI project is estimated to be \$44 million. (General Fund-State, Violence Reduction and Drug Enforcement Account-State)

4. Efficiency and Quality Initiatives - Savings are achieved by transferring female youthful offenders to a Juvenile Rehabilitation Administration facility, reducing goods and services expenditures, and reducing facility maintenance activities. In addition, \$1.0 million in maintenance projects will be funded in the capital budget rather than in the operating budget.

5. Equipment Savings - Efficiency savings are achieved by using a five-year lease purchase option for equipment that has exceeded life expectancy and for facility start-up equipment.

6. Cost of Incarceration Funds - The Department's Correctional Industries (CI) program will increase its use of Cost of Incarceration funds. These funds have become available due to the settlement of legal issues around the constitutionality of certain kinds of deductions from monies received by inmates from outside sources.

7. Medical Payments - Funding is adjusted for the Department to reimburse hospitals under the diagnosis-related group reimbursement schedule utilized and maintained by the Department of Social and Health Services.

2001-03 Omnibus Operating Budget
Department of CorrectionsWednesday, June 20, 2001
4:31 pm

8. Offender Legal Services - Funding for law libraries is eliminated. The Department will continue to provide access to contracted legal services for offenders who are illiterate or who do not speak English.

9. Correctional Industries - The majority of costs associated with Correctional Industries (CI) operations are funded through revenues generated from product sales. Based on updated revenue and sales projections, it is assumed that the Department will increase its utilization of the non-appropriated, non-budgeted Correctional Industries Revolving Account to fund CI inmate work programs.

10. Interstate Supervision Compact # - Funding is provided for the implementation of SSB 5118 (interstate offender supervision compact), which enacts a new reciprocal agreement among states for the supervision of offenders who move between states.

11. Sex Offender Sentencing # - Funding is provided for the implementation of E2SSB 6151 (high-risk sex offenders), which modifies sentencing provisions for certain sex offenders.

2001-03 Omnibus Operating Budget
Dept of Services for the Blind
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	3,078	13,262	16,340
2001-03 Carryforward Level	3,030	13,066	16,096
2001-03 Maintenance Level	3,011	13,013	16,024
Policy Changes:			
1. Efficiency Reduction	-60	0	-60
2. Assistive Technology Program	270	0	270
3. Deaf-Blind Service Center	100	0	100
Total Policy Changes	310	0	310
Total 2001-03 Biennium	3,321	13,013	16,334

Comments:

- 1. Efficiency Reduction** - The Department will make general staffing reductions in the field programs.
- 2. Assistive Technology Program** - Funding is provided so that additional persons may benefit from assistive technology devices such as document readers and speech synthesizers.
- 3. Deaf-Blind Service Center** - Funding is provided to increase by 25% state assistance for job training, interpreter services, independent living instruction, adaptive technology, and other support services for persons who are both deaf and blind.

2001-03 Omnibus Operating Budget
Sentencing Guidelines Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,747	0	1,747
2001-03 Carryforward Level	1,702	0	1,702
2001-03 Maintenance Level	1,801	0	1,801
Policy Changes:			
1. General Inflation	-8	0	-8
Total Policy Changes	-8	0	-8
Total 2001-03 Biennium	1,793	0	1,793

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
Department of Employment Security
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,614	446,848	449,462
2001-03 Carryforward Level	2,632	447,088	449,720
2001-03 Maintenance Level	2,638	423,730	426,368
Policy Changes:			
1. General Inflation	-25	-5,296	-5,321
2. Improve Web-Based Security System	0	165	165
3. Reemployment Services	0	600	600
4. Integrate Labor Market Information	0	396	396
5. Unemployment Insurance Program	0	3,159	3,159
6. Overpayment Identification	0	972	972
7. Fund GF-S With Other Funds	-2,613	2,613	0
Total Policy Changes	-2,638	2,609	-29
Total 2001-03 Biennium	0	426,339	426,339

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund--State, Other Funds)

2. Improve Web-Based Security System - Employment Security will purchase and install security hardware and software for internet based systems. This security is designed to allow people to file initial unemployment claims over the Internet while protecting the Department's confidential information. (Administrative Contingency Account-State)

3. Reemployment Services - The electronic model that is used to select and refer unemployment insurance claimants to reemployment services will be enhanced. The changes will identify the services that are most likely to lead to reemployment and reduce the amount of time individuals spend unemployed. (Employment Services Administrative Account-State)

4. Integrate Labor Market Information - The Department currently has labor market information on CD-ROM and the Internet. This initiative will make available several key labor market products including local wage rates, employment projections, job skills, employer listings, economic indicators, and news articles through one internet website. (Administrative Contingency Account-State)

5. Unemployment Insurance Program - The agency has received federal funds for one-time unemployment insurance administrative expenses. These funds will be used to improve the effectiveness of the unemployment insurance claims telecenters, make corrections to its benefit and tax systems, improve other agency technology, and pay off the telecenter debt. (Unemployment Compensation Administrative Account-Federal)

6. Overpayment Identification - The United States Department of Labor requires all states to use information from employers that is reported to the Department of Social and Health Services when a new employee is hired. This proposal will link the employer information to the fraud management system, which will allow earlier detection of overpayments. This also includes enhancements to the system that will improve identification of overpayments of unemployment insurance and balance staff workload. These enhancements will be paid out of the Overpayment Interest Fund portion of the Administrative Contingency Account. (Administrative Contingency Account-State)

2001-03 Omnibus Operating Budget
Department of Employment SecurityWednesday, June 20, 2001
4:31 pm

7. Fund GF-S With Other Funds - The agency request proposed additional spending from the Administrative Contingency Fund. Some of those increases were not included in the Governor's request. This leaves additional funds available in the account to finance activities previously funded with General Fund State. If revenues into the Administrative Contingency Account fall short of the agencies projections, reductions in the use of the fund for administrative purposes shall be made prior to reductions to direct client services or the current production of labor market information. The department shall maintain its current level of labor market information, including requests for data and analysis from the legislature, governor's office, the office of financial management, and the economic and revenue forecast council. (General Fund-State, Administrative Contingency Account-State)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	420,015	363,113	783,128
2001-03 Carryforward Level	442,997	377,548	820,545
2001-03 Maintenance Level	455,803	406,004	861,807
Policy Changes:			
1. Vendor Rate Increases	11,938	3,404	15,342
2. General Inflation	-740	-241	-981
3. Payment Review Program	-68	-69	-137
4. Eliminate Unused Bed Capacity	-3,385	0	-3,385
5. Reduce Caseworker Ratio	6,609	5,604	12,213
6. Division of Licensed Resources	464	154	618
7. Methamphetamine Treatment	0	50	50
8. Risk Assessment Model	254	85	339
9. Fire Marshal Inspections	106	0	106
10. Native American Child Welfare	412	0	412
11. Child Placing Agency Rate Increase	2,150	755	2,905
12. Quality Assurance Improvements	966	322	1,288
13. Foster Care Basic Rate Increase	2,303	1,535	3,838
14. Regional Foster Care Recruitment	400	0	400
15. Passport Program Expansion	583	875	1,458
16. Child Care and Early Learning	-15,682	-42,908	-58,590
17. Respite Care	2,000	127	2,127
18. Private Rooms for Aggressive Youth	0	2,064	2,064
19. Expand Child Placing Agencies	2,078	730	2,808
20. Foster Parent Retention	250	0	250
21. Centennial Building Lease Savings	-132	-44	-176
22. Reduce Family Policy Council Funds	-2,235	0	-2,235
23. Expand Relative Placements	0	1,050	1,050
24. Expand Responsible Living Beds	728	0	728
Total Policy Changes	8,999	-26,507	-17,508
Total 2001-03 Biennium	464,802	379,497	844,299

Comments:

1. Vendor Rate Increases - Funding is provided to increase overall vendor payments in children's services by 2.1 percent in fiscal year 2002 and 2.3 percent in fiscal year 2003. The Department shall seek to control rate increases and reimbursement decisions for foster care and adoption support cases such that the cost per case for family foster care, group care, receiving homes and adoption support does not exceed the amounts assumed in the projected expenditures plus the amounts provided for vendor rate increases and increases to the basic rate for foster care. (General Fund-State, General Fund-Federal)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund--State, General Fund--Federal)

3. Payment Review Program - Savings are anticipated from recovering amounts incorrectly paid to service providers, and from revising payment procedures to prevent future errors. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services

4. Eliminate Unused Bed Capacity - Unused bed capacity at staff secure group homes is eliminated, and funds are reduced for secure crisis residential centers (SCRCs). Reductions in SCRCs shall seek to maintain availability across the state, while reducing bed capacity in facilities with the lowest rate of actual placements to potential placements.

5. Reduce Caseworker Ratio - Funding is provided to reduce the number of active cases for each caseworker from the current level of 29 to 24 by the end of the 2001-03 biennium. This is achieved through increased funding and by redeploying in fiscal year 2003 approximately 5 percent of staff resources from administrative areas of the program to case carrying staff and the supervisors and clerical staff that support them. (General Fund-State, General Fund-Federal)

6. Division of Licensed Resources - Funding is provided for additional licensors to meet the projected increase in foster homes. The desired ratio of 100 cases per licensor is funded. (General Fund-State, General Fund-Federal)

7. Methamphetamine Treatment - As part of a state-wide methamphetamine initiative, funding is provided for training all Child Protective Services social workers on responding to children found at methamphetamine labs or sites. (Public Safety and Education Account-State)

8. Risk Assessment Model - Funding is provided for enhancements to the risk assessment model. The risk assessment model allows caseworkers to provide an assessment of the risk of abuse and/or neglect to children reported to the Department. The enhancements will allow for re-assessment of risk throughout the life of the case, and will include a special assessment tool if reunification is being considered for a child in out-of-home placement. Funding is also included for training caseworkers on the new model. (General Fund-State, General Fund-Federal)

9. Fire Marshal Inspections - Funding is provided for the Washington State Patrol Fire Marshal to perform inspections of childcare centers and group care facilities that must have a fire safety inspection and certification prior to licensing by the Children's Administration. This funding is sufficient to meet the expected growth in the program.

10. Native American Child Welfare - Funding is provided for child welfare services to three new tribes (the Samish Nation, Snoqualmie Tribe, and Cowlitz Tribe) and new tribes in the Small Tribes of Western Washington (STOWW). The Children's Administration contracts with the state's federally recognized Native American tribes, off-reservation Native American organizations, and STOWW to provide child welfare services to Native American families.

11. Child Placing Agency Rate Increase - Funding is provided to increase the rate paid to child placing agencies by 35 percent to \$400 per month at the beginning of the 2001-03 biennium. Child placing agencies provide foster and adoption services including placement and monitoring of children that reside in family foster care. This rate increase is in addition to a state-wide vendor rate increase. (General Fund-State, General Fund-Federal)

12. Quality Assurance Improvements - Funding is provided for ten quality assurance staff to conduct additional program reviews of case records. Currently the Department is reviewing 600 records per year. This funding would allow the review of 6,000 case files per year, and would move the Department to the national accreditors recommended level of ten percent of case files reviewed per year. These positions will be phased-in over the biennium. (General Fund-State, General Fund-Federal)

13. Foster Care Basic Rate Increase - The basic rate for family foster care is increased from an average of \$405 per month to \$420 on July 1, 2001 and \$440 on July 1, 2002. (General Fund-State, General Fund-Federal)

14. Regional Foster Care Recruitment - Funding is provided solely for foster parent recruitment.

15. Passport Program Expansion - Funding is provided to reduce the backlog of Passports for children who have been in foster care over 90 days. A Passport is a concise record of each child's current medical, dental, behavioral, psychological, and educational status. It also includes the child's care providers and a record of vaccinations, allergies, current medication and doses, and upcoming appointments. (General Fund-State, General Fund-Federal)

16. Child Care and Early Learning - Funding is reduced due to the consolidation of child care and early learning programs from the Department of Social and Health Services (DSHS), the Department of Health, and the Office of Financial Management into a new division within the DSHS Economic Services Administration. This division will focus on child care and early learning programs with an emphasis on quality and availability of care. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services

17. Respite Care - Funding is increased for respite care for foster parents. The Department shall provide respite care for foster parents so as to best improve child placement stability in the foster care system. Payments for services will be made to the respite provider. (General Fund-State, General Fund-Federal)

18. Private Rooms for Aggressive Youth - Funding is provided for single rooms for sexually aggressive youth in the group care system who do not currently reside in single rooms. This funding will provide 43 additional rooms. (General Fund-State, General Fund-Federal)

19. Expand Child Placing Agencies - Funding is provided to increase the capacity of child placing agencies by 15 percent in fiscal year 2002 and 30 percent in fiscal year 2003. Child placing agencies provide adoption support and foster care services including placement and monitoring services for children who reside in family foster care. (General Fund-State, General Fund-Federal)

20. Foster Parent Retention - Funding is provided for continuation of a foster parent retention program directed at foster parents caring for children who act out sexually.

21. Centennial Building Lease Savings - Lease costs are reduced due to the purchase of the Centennial buildings in Tacoma. (General Fund-State, General Fund-Federal)

22. Reduce Family Policy Council Funds - Funding for the Family Policy Council and community public health and safety networks is reduced by 25 percent. In reducing grants to the community public health and safety networks, the Family Policy Council shall seek to maintain programs for which data and/or research indicate positive outcomes.

23. Expand Relative Placements - Funding is provided to increase kinship care placements for children who otherwise would likely be placed in foster care. These funds are for extraordinary costs incurred by relatives at the time of placement, or for extraordinary costs incurred by relatives after placement if such costs would likely cause a disruption in the kinship care placement. \$50,000 of the funds provided shall be contracted to the Washington Institute for Public Policy to conduct a study of kinship care placements. The study shall examine the prevalence and needs of families who are raising related children, and shall compare services and policies of Washington with other states that have a higher rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements. (General Fund-Federal)

24. Expand Responsible Living Beds - Funding is provided for additional Responsible Living Skills Program (RSLP) beds. Eight beds shall be added by October 2001 and an additional seven beds shall be added by July 2002. The total number of RSLP beds in fiscal year 2003 shall be 44.

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	177,688	67,357	245,045
2001-03 Carryforward Level	181,553	67,586	249,139
2001-03 Maintenance Level	174,252	69,374	243,626
Policy Changes:			
1. Vendor Rate Increases	1,471	1,061	2,532
2. General Inflation	-535	0	-535
3. Centennial Building Lease Savings	-20	0	-20
4. Efficiencies in Regional Services	-1,574	0	-1,574
5. Mental Health Services	1,118	0	1,118
6. Basic Training Camp	38	8	46
7. Administrative Efficiencies	-120	-60	-180
8. Chemical Dependency Alternative #	-57	-3	-60
9. Delay Green Hill Expansion	-812	0	-812
Total Policy Changes	-491	1,006	515
Total 2001-03 Biennium	173,761	70,380	244,141

Comments:

1. Vendor Rate Increases - Department vendors will have their rates increased by 2.1 percent on July 1, 2001, and an additional 2.3 percent on July 1, 2002. (General Fund-State, Public Safety and Education Account, Violence Reduction and Drug Enforcement Account, General Fund-Federal, General Fund-Local)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Centennial Building Lease Savings - Reduced lease costs are achieved by purchasing the Centennial buildings in Tacoma.

4. Efficiencies in Regional Services - Savings are achieved by implementing efficiencies in the administration of regional services programs in the community. Regional services includes parole services, community facilities, drug and alcohol services, learning and life skills centers, regional support staff, regional administration, and diagnostics.

5. Mental Health Services - Based on recent assessments, it is estimated that approximately 40 percent of youth in Department of Social and Health Services Juvenile Rehabilitation Administration facilities have a need for mental health services. Funding is provided for increased mental health staffing at the Maple Lane School and for increased medication management needs at Juvenile Rehabilitation Administration facilities.

6. Basic Training Camp - Funding is provided to implement House Bill 1070 (juvenile offender basic training training camp), which authorizes the Juvenile Rehabilitation Administration to extend the current Basic Training Camp (BTC) program from 120 days up to 160 days for residents who need additional time to meet the BTC requirements. The Secretary of the Department of Social and Health Services is authorized to order sanctions for parole violations, including ordering BTC graduates to return to institutions for the remainder of their original sentence. (General Fund-State, General Fund-Federal)

7. Administrative Efficiencies - Efficiencies are realized by consolidating Office of Juvenile Justice (OJJ) staff and the Governor's Juvenile Justice Advisory Committee (GJJAC) staff into the administrative operations of Juvenile Rehabilitation Administration (JRA). Cost savings will result from the elimination of duplicative administrative operations, and from aligning OJJ contract monitoring responsibilities with the monitoring expectations of JRA central office staff. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Juvenile Rehabilitation

8. Chemical Dependency Alternative # - Savings are achieved through the implementation of SB 5468 (chemical dependency disposition alternative), which expands eligibility criteria for the Chemical Dependency Disposition Alternative (CDDA). As a result of the changes, it is expected that an additional six juvenile offenders will complete CDDA requirements. (General Fund-State, General Fund-Federal)

9. Delay Green Hill Expansion - The opening of a recently constructed 64-bed unit at the Green Hill School is delayed until the second year of the 2001-03 Biennium.

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	531,003	501,465	1,032,468
2001-03 Carryforward Level	551,992	490,908	1,042,900
2001-03 Maintenance Level	594,042	515,624	1,109,666
Policy Changes:			
1. Vendor Rate Increases	71	5,003	5,074
2. General Inflation	-951	-149	-1,100
3. Special Commitment Center/Community	5,760	0	5,760
4. LRA Mitigation Funding	2,000	0	2,000
5. Special Commitment Center/Program	2,452	0	2,452
6. Special Commitment Center/Facility	26	0	26
7. Special Commitment Center/Legal	1,253	0	1,253
8. Prevalence Study	250	250	500
9. Performance Measurement System	411	411	822
10. Forensic Unit Lawsuit	3,496	404	3,900
11. Children's Inpatient Vendor Rates	546	556	1,102
12. Non-Medicaid Comm Inpatient Funding	-1,389	0	-1,389
13. RSN Program Data Collection	0	606	606
14. Reduce Community Inpatient Pool	-1,800	0	-1,800
15. Medicare/Medicaid Crossovers	-1,514	-1,539	-3,053
16. Allen Settlement Work Plan 3	3,268	0	3,268
17. Longitudinal Study	38	38	76
18. Expand Community Services	-3,449	951	-2,498
Total Policy Changes	10,468	6,531	16,999
Total 2001-03 Biennium	604,510	522,155	1,126,665

Comments:

1. Vendor Rate Increases - Agencies which contract with the state to provide interpreter services at the state psychiatric hospitals, and a variety of support services at the Special Commitment Center, will receive a 2.1 percent inflationary increase in July 2001, and a 2.3 percent increase in July 2002. Additionally, federal matching funds are provided so that the three Regional Support Networks whose allocations under the new formula authorized in the conference budget would otherwise not increase by at least 2.1 percent in fiscal year 2002, and by an additional 2.3 percent in July 2002, may receive such rate increases. The non-federal share of that increase is to be provided by the Regional Support Network from accumulated fund balances or other local fund sources. (General Fund-State, General Fund-Federal, General Fund-Local)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

3. Special Commitment Center/Community - Pursuant to E2SSB 6151 (high-risk sex offenders), funding is provided to establish an additional community transition program for residents of the Special Commitment Center (SCC). In a less restrictive alternate (LRA) environment, the program will focus on learning transitional skills and putting previous skills into practical application. Residents in the LRA facility will also receive additional treatment as needed. Estimates are based on an opening date of October 2001. (General Fund-State)

4. LRA Mitigation Funding - Mitigation funding is provided for jurisdictions affected by the placement of less restrictive alternative facilities for persons conditionally released from the Special Commitment Center at McNeil Island. (General Fund-State)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health

5. Special Commitment Center/Program - The Special Commitment Center (SCC) adopted a plan to satisfy the United States District Court's rulings. The plan includes an enhancement to the current SCC program, including: (1) the establishment of a vocational program; (2) the adoption of a preventative health program; (3) the establishment of another Assistant Resident Manager position to help cover evening hours; and (4) the development of a tracking system to collect resident information, treatment progress, and other activities designed to assist residents in achieving successful treatment. (General Fund-State)

6. Special Commitment Center/Facility - The new 258-bed special commitment facility is scheduled to open July of 2003. Three positions in facility operations are provided to plan for and coordinate occupancy. (General Fund-State)

7. Special Commitment Center/Legal - Funding is provided for two assistant attorney generals and support staff needed to decrease wait times and the number of cases awaiting initial commitment trials to the Special Commitment Center at McNeil Island. Funding will also allow the Attorney General's office to support cases currently being handled by the Snohomish County Prosecutor's office. (General Fund-State)

8. Prevalence Study - Funding is provided for the Department of Social and Health Services to study the prevalence of mental illness among the state Regional Support Networks' service areas. The Joint Legislative Audit and Review Committee (JLARC) is to monitor the study, within its existing funds. (General Fund-State, General Fund-Federal)

9. Performance Measurement System - Funds are provided for the Mental Health Division to contract for the development of an outcome-based performance measurement system for the public mental health system. (General Fund-State, General Fund-Federal)

10. Forensic Unit Lawsuit - Funds are provided for the Department of Social and Health Services to settle a lawsuit by the Washington Protection and Advocacy System alleging insufficient and inappropriate treatment of persons committed to the legal offender (forensic) unit at Western State Hospital. (General Fund-State, General Fund-Federal)

11. Children's Inpatient Vendor Rates - Funding is provided for a 10 percent rate increase for the four facilities from which the state purchases 24-hour residential treatment for severely troubled children. The increase is needed for the facilities to address recruitment and retention problems, and the rising cost of medical insurance and utilities. (General Fund-State, General Fund-Federal)

12. Non-Medicaid Comm Inpatient Funding - The Regional Support Networks (RSNs) are responsible for the utilization and cost of community psychiatric hospitalization services for Medicaid recipients, and also for other persons who qualify for "state-only" medical assistance, such as the medically indigent, and recipients of general assistance for the unemployed (GAU). The department has historically deducted the actual cost of hospitalization for these "state-only" groups from the RSNs' capitation payments. However, because half of those payments are federal funding which cannot be used for non-Medicaid recipients, the department has covered the balance of the cost with state funds which were available in the department's base budget. Under the new formula for allocating state and federal funds among the RSNs, RSNs will be allocated state funds for the "state-only" groups at 100 percent of the payment rate the RSN would receive for a comparable Medicaid enrollee. This item reduces the Department's base funding by having the Department charge 25 percent of the state-only costs not covered by the previous capitation rates against RSN allocations in fiscal year 2002, and 50 percent in fiscal year 2003. The total amount of funding available to the RSNs is not reduced. (General Fund-State)

13. RSN Program Data Collection - Additional staffing is authorized for the Mental Health Division to improve collection, monitoring, and analysis of community mental health fiscal, client characteristics, and outcomes data. Additional federal funding is available to offset this cost. (General Fund-Federal)

14. Reduce Community Inpatient Pool - Funding for the community inpatient pool, established in fiscal year 2001 to assist communities maintain capacity to provide short-term psychiatric hospitalizations locally, is reduced to \$1.45 million per year. (General Fund-State)

15. Medicare/Medicaid Crossovers - For persons who are dually eligible for both Medicare and Medicaid, the state Medicaid program is responsible for the share of community mental health costs which under Medicare are the patient's financial responsibility. Such Medicaid co-insurance costs were included in the original expenditure base which was used to calculate the Regional Support Network (RSN) capitation rates, but in 1996 the Mental Health Division began paying the co-insurance costs directly, out of a separate appropriation, without a corresponding reduction in the RSN capitation rates. This item eliminates that separate appropriation, and requires the RSNs to cover the Medicare co-insurance costs out of their current Medicaid funding levels. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health

16. Allen Settlement Work Plan 3 - Funding is provided for the state hospitals to provide additional specialized care, combining both habilitation and mental health treatment components, for persons with developmental disabilities who require the level and intensity of psychiatric care best provided by the state hospitals. These funds are in addition to the \$2.2 million per year for such additional specialized care which was first provided in the 2000 supplemental appropriation, and fulfills the state's commitments under the *Allen vs. DSHS* settlement agreement. The lawsuit contended that the state was not providing adequate care for persons with developmental disabilities in the state psychiatric hospitals. (General Fund-State, General Fund-Federal)

17. Longitudinal Study - In accordance with Chapter 334, Laws of 2001 (mental health performance audit), funding is provided for the Washington State Institute for Public Policy to design and begin implementation of a 10-year longitudinal study on the impact of public mental health services on recipients' future employment, housing stability, criminal justice system involvement, and requirement for additional services. (General Fund-State, General Fund-Federal)

18. Expand Community Services - A total of \$5.7 million is provided for development of community residential and support services for persons whose treatment needs constitute substantial barriers to community placement and who no longer require active psychiatric treatment in an inpatient hospital level of care, no longer meet the criteria for inpatient involuntary commitment, and who are clinically ready for discharge from a state psychiatric hospital. This is expected to permit closure of four state hospital wards over the course of the 2001-03 biennium, resulting in a net reduction in total public expenditures.

Most of the new community funding available through this initiative will be used to provide community residential, mental health, and other services for long-term state hospital residents who can be better cared for in the community. No long-term resident is to move from the hospitals until a team of community professionals who will work with them on an ongoing basis has gotten to know the person; assessed their strengths, preferences, and needs; assured there's a safe and stable place for them to live; and made sure that other needed medical, behavioral, and social services are in place. In addition to the state and federal funding which is provided for ongoing service delivery after the resident's movement from the hospital, the Department is expected to use federal block grant funding for up-front development, training, and operation of the community support teams.

Primary responsibility and accountability for community support for persons who would otherwise require long-term state hospital care shall reside with the Mental Health Division and the Regional Support Networks, with partnership and support from other DSHS programs such as Substance Abuse and Aging. The Department is expected to negotiate performance-based incentive contracts with those RSNs which have the most viable plans for providing community services for a significant number of long-term hospital residents, rather than distributing the new funding among all RSNs according to the standard allocation formula.

Some of the new state and federal block grant funding provided as part of this initiative is also to be used to support strategies which will reduce the unnecessary and excessive use of state and local hospitals for short-term crisis stabilization services. Such strategies may include training and technical assistance to community long-term care and substance abuse providers; the development of diversion beds and stabilization support teams; and the development of new contractual standards to assure that the statutory requirement that 85 percent of short-term detentions be managed locally is being fulfilled. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	539,302	503,394	1,042,696
2001-03 Carryforward Level	568,791	525,864	1,094,655
2001-03 Maintenance Level	582,932	537,450	1,120,382
Policy Changes:			
1. Olmstead Plan Implementation	4,274	4,056	8,330
2. Vendor Rate Increases	13,248	11,037	24,285
3. Long-Term Care Worker Wages	5,783	5,369	11,152
4. General Inflation	-707	-690	-1,397
5. Payment Review Program	-339	-353	-692
6. Caseload Ratio Improvement	3,267	2,588	5,855
7. RHC Cottage Consolidation	-3,639	-3,693	-7,332
8. DDD- Improve Public Safety	4,481	4,311	8,792
9. Administrative Reduction	-304	-174	-478
10. High School Transition Funding	2,000	0	2,000
11. Increase \$ for Autism Pilot Project	200	0	200
12. Deaf & Hard of Hearing Svc Cntr	100	0	100
13. Expand Respite Care	250	250	500
14. Limit Residential Vacancy Payments	-708	-708	-1,416
15. Voluntary Placement Program Costs	9,706	7,728	17,434
Total Policy Changes	37,612	29,721	67,333
Total 2001-03 Biennium	620,544	567,171	1,187,715

Comments:

1. Olmstead Plan Implementation - Funding is provided for community residential placements and corresponding support services for up to 80 individuals to transition from state residential habilitation centers (RHCs). This item is consistent with the Division's overall planning related to the U.S. Supreme Court decision in the *L.C. vs Olmstead* case and builds upon past efforts to enable integrated, community living. (General Fund-State, General Fund-Federal)

2. Vendor Rate Increases - Department vendors will have their rates increased by 2.1 percent on July 1, 2001, and an additional 2.3 percent on July 1, 2002. (General Fund-State, General Fund-Federal)

3. Long-Term Care Worker Wages - Funding is provided for a 50 cent per hour pay increase for low-wage workers who provide direct care for elderly and disabled persons in their own homes, in nursing homes, and in community residential programs. When combined with the vendor rate increase funded above, hourly wages will increase an average of 50 cents effective July 1, 2001 for home-care workers, nurses aides, and residential care staff currently earning less than \$10 per hour. (General Fund-State, General Fund-Federal)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

5. Payment Review Program - Savings are anticipated from recovering amounts incorrectly paid to service providers, and from revising payment procedures to prevent future errors. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities

6. Caseload Ratio Improvement - Funding is provided to improve the case manager to client ratio for clients enrolled on the Home and Community Based Waiver in the Division of Developmental Disabilities. A total of 48 new caseworkers plus support staff will be phased-in over a 10-month period during the 2001-03 biennium. In addition the Division is given authority to convert 37.5 temporary FTEs to permanent positions. These additional resources shall be deployed to ensure better monitoring of client health and safety. (General Fund-State, General Fund-Federal)

7. RHC Cottage Consolidation - Savings will be achieved through the consolidation of cottages resulting from vacancies at the residential habilitation centers (RHCs). Vacancies are due to normal attrition and anticipated vacancies accruing as a result of the continued efforts of the Division to move residents to community settings. Savings include costs related to staff and goods and services expenditures. (General Fund-State, General Fund-Federal)

8. DDD- Improve Public Safety - Funding is provided for residential housing and support services for individuals with community protection issues. Funding will specifically support: 26 placements for individuals with developmental disabilities that will be released by the Department of Corrections during the 2001-2003 biennium; 30 placements for individuals in crisis utilizing statewide diversion beds but who lack permanent residential placement; and 18 placements for individuals currently in the state psychiatric hospitals. (General Fund-State, General Fund-Federal)

9. Administrative Reduction - Savings are achieved by reducing training, planning and other activities at residential habilitation centers (RHCs). (General Fund-State, General Fund-Federal)

10. High School Transition Funding - Funding is provided for employment and training services for young adults with developmental disabilities who need assistance after high school graduation. These services are intended to assist with the transition to work and promote more independent living. Funding shall be used to the greatest extent possible for vocational rehabilitation services that are matched with federal funding. In recent years, the General Fund-State budget for employment and day programs has been underspent. These surpluses, built into the carry-forward level budget, shall be redeployed for high school transition services. (General Fund-State, General Fund-Federal)

11. Increase \$ for Autism Pilot Project - Funding is increased for the autism pilot project started in 1999. The additional funding will bring the total 2001-03 biennial budget for the project to \$738,000. (General Fund-State)

12. Deaf & Hard of Hearing Svc Cntr - Funding is provided for the the Southeast Washington Deaf and Hard of Hearing Service Center due to increased workload. (General Fund-State)

13. Expand Respite Care - Funding is provided to expand respite care at Yakima Valley School by six beds over the 2001-03 biennium depending on the number of vacancies that occur. In addition to the expanded respite beds, funding is provided to improve the continuity of care from a respite stay back to the person's home. Nursing or other appropriate clinical staff will assist the family or other care-givers with new ways to support the person in order to improve the stability of the living arrangement. (General Fund-State, General Fund-Federal)

14. Limit Residential Vacancy Payments - Under current practice, as vacancies occur in contracted residential settings for a Division of Developmental Disabilities client, the Division continues to pay a provider in order to ensure that capacity is maintained. This item limits such payments to three months. (General Fund-State, General Fund-Federal)

15. Voluntary Placement Program Costs - Funding is increased for clients in the Voluntary Placement Program and for clients who will age-out of the program. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	924,724	987,632	1,912,356
2001-03 Carryforward Level	955,564	1,000,360	1,955,924
2001-03 Maintenance Level	1,010,373	1,039,768	2,050,141
Policy Changes:			
1. Dementia Exceptional Care Rates	728	740	1,468
2. Freeze Chore Services Enrollments	-1,468	0	-1,468
3. Nursing Services for In-Home Client	452	458	910
4. COPEs for Medically Needy #	-507	-526	-1,033
5. Vendor Rate Increases	17,624	16,909	34,533
6. Long-Term Care Worker Wages	13,760	13,833	27,593
7. General Inflation	-258	-271	-529
8. Payment Review Program	-867	-903	-1,770
9. Centennial Building Lease Savings	-36	-35	-71
10. Nursing Home Rates	19,315	19,613	38,928
11. Nursing Home Evaluation	75	75	150
12. Guardianship	-96	-97	-193
13. Estate Recovery	-2,277	-2,300	-4,577
Total Policy Changes	46,445	47,496	93,941
Total 2001-03 Biennium	1,056,818	1,087,264	2,144,082

Comments:

1. Dementia Exceptional Care Rates - Funding is provided for exceptional care rates so that an average of at least sixty persons with Alzheimer's disease or related dementias who might otherwise require nursing home care can instead reside in community boarding facilities designed and equipped to provide specialized care for such conditions. (General Fund-State, General Fund-Federal)

2. Freeze Chore Services Enrollments - The Chore Services program provides assistance with daily living activities to approximately 400 elderly and disabled persons whose incomes exceed the roughly \$6,500 per year which would enable them to qualify for Medicaid, but whose needs are not yet substantial enough to qualify for the Medicaid waiver program, which allows an income of about \$19,000 per year for a single individual. The phase-out of the program has been underway since 1994. This item provides for a freeze on all new admissions, except for those needed for adult protective services cases.

3. Nursing Services for In-Home Client - Funding is provided to triple the number of community care recipients receiving in-home skilled nursing visits, and to double the average number of nursing visits per recipient and the hourly payment rate for such services. (General Fund-State, General Fund-Federal)

4. COPEs for Medically Needy # - Savings are achieved through the implementation of House Bill 1341 (community options), which provides for the establishment of two new Community Options Program Entry System (COPEs) waivers that allow more nursing home-eligible clients to qualify for home and community residential long-term care services. It is anticipated that 375 of the 1,500 "medically needy" persons who currently receive Medicaid-funded nursing home care, but whose incomes exceed the current eligibility standard for community-based care, would be served in community-based settings at a lower public cost. Those savings will be partially offset by the cost of Medicaid-funded medical and long-term care services for up to 725 additional persons who are not presently eligible for publicly-funded services because their incomes exceed the current eligibility limit. The Department is directed to limit total enrollment in the two waivers to 650 persons by June 2002, and to 1,100 persons by June 2003 and is directed to transfer funds from the Aging and Adult Services Administration to the Medical Assistance Administration to cover the medical costs that will result from making these additional persons eligible for state medical assistance. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care

5. Vendor Rate Increases - Agencies with contract with the state to provide case management, home-care, community residential care, and other long-term care services will receive inflationary increases of 2.1 percent on July 1, 2001 and 2.3 percent on July 1, 2002. (General Fund-State, General Fund-Federal)

6. Long-Term Care Worker Wages - Funding is provided to increase pay for low-wage workers who provide direct care for elderly and disabled persons in their own homes, in nursing homes, and in community residential programs. When combined with the vendor rate increases funded above, funding is sufficient to increase hourly wages an average of 50 cents effective July 1, 2001 for home-care workers, nurses aides, and residential care staff currently earning less than \$10 per hour. (General Fund-State, General Fund-Federal)

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

8. Payment Review Program - Savings are anticipated from recovering amounts incorrectly paid to service providers, and from revising payment procedures to prevent future errors. (General Fund-State, General Fund-Federal)

9. Centennial Building Lease Savings - Lease costs are reduced due to the purchase of the Centennial buildings in Tacoma. (General Fund-State, General Fund-Federal)

10. Nursing Home Rates - Funding is provided to implement the provisions of Substitute House Bill 2242 (nursing home rates) and to provide rate increases to nursing facilities. When combined with the nursing home component of the long-term care worker wage increase above, the weighted average nursing home payment rate is expected to be \$128.79 per patient day in fiscal year 2002 and \$134.45 per patient day in fiscal year 2003, a 4.4% average annual increase above the fiscal year 2001 level. (General Fund-State, General Fund-Federal)

11. Nursing Home Evaluation - In accordance with Substitute House Bill 2242 (nursing home rates), funding is provided for the Department to contract for a two-year evaluation of Washington's nursing home payment system. Study plans are to be approved by and evaluation results reported to the Joint Legislative Task Force on Nursing Homes. (General Fund-State, General Fund-Federal)

12. Guardianship - New rules are to be adopted regarding guardianships for persons receiving publicly-funded long-term care. The rules will increase the amount of client income available for payment toward their cost of care. (General Fund-State, General Fund-Federal)

13. Estate Recovery - All medical assistance provided to a client while receiving long-term care services is included in estate recovery instead of limiting collection to only hospital and prescription drug services. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	849,592	1,277,109	2,126,701
2001-03 Carryforward Level	852,938	1,312,986	2,165,924
2001-03 Maintenance Level	865,565	1,320,521	2,186,086
Policy Changes:			
1. Vendor Rate Increases	2,329	1,461	3,790
2. General Inflation	-2,511	-3,225	-5,736
3. Child Care and Early Learning	16,564	43,253	59,817
4. Administrative Cost Containment	-4,000	-1,100	-5,100
5. Staffing Efficiencies	-800	-1,600	-2,400
6. Reduce Welfare to Work Match	-7,076	0	-7,076
7. Child Support Documents	-32	-64	-96
8. Streamline Eligibility	-2,000	-1,000	-3,000
9. Centennial Building Lease Savings	-215	-207	-422
10. Child Care & WorkFirst Enhancements	0	29,000	29,000
11. Cut SSI State Suppl Admin Costs	-6,562	0	-6,562
12. Filipino Veterans	48	0	48
13. Teen Pregnancy Prevention	0	1,100	1,100
Total Policy Changes	-4,255	67,618	63,363
Total 2001-03 Biennium	861,310	1,388,139	2,249,449

Comments:

1. Vendor Rate Increases - Funding is provided to increase overall vendor payments by an average of 2.1 percent in fiscal year 2002 and 2.3 percent in fiscal year 2003. (General Fund-State, General Fund-Federal)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Child Care and Early Learning - The child care and early learning programs from the Department of Social and Health Services (DSHS), the Department of Health, and the Office of Financial Management are consolidated into a new division within the DSHS Economic Services Administration. This division will focus on child care and early learning programs with an emphasis on quality and availability of care. (General Fund-State, General Fund-Federal)

4. Administrative Cost Containment - Funding for travel and goods and services is reduced and unused capacity in state funded programs is eliminated. (General Fund-State, General Fund-Federal)

5. Staffing Efficiencies - Funding is reduced through efficiencies in the Division of Child Support. The Division has been applying technology and quality improvements to their operations, resulting in staffing efficiencies. (General-Fund State, General Fund-Federal)

6. Reduce Welfare to Work Match - State matching funds for the federal welfare to work grant are reduced to the level needed for the biennium.

7. Child Support Documents - Funding is saved by allowing the Division of Child Support to serve documents by parcel delivery. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration

8. Streamline Eligibility - Funding is saved by allowing the Department to simplify state resource eligibility policy and make such policy consistent with other federal public assistance programs. This simplification will allow the Department to eliminate 275 staff positions by the end of the 2001-03 biennium and over 400 staff positions by the end of the 2003-05 biennium. (General Fund-State, General Fund-Federal)

9. Centennial Building Lease Savings - Lease costs are reduced due to the purchase of the Centennial buildings in Tacoma. (General Fund-State, General Fund-Federal)

10. Child Care & WorkFirst Enhancements - Federal expenditure authority is provided for WorkFirst enhancements and the anticipated increase in subsidized child care for low-income working families. (General Fund-Federal)

11. Cut SSI State Suppl Admin Costs - Funding is saved by moving to state administration of the Supplemental Security Income (SSI) state supplement payment. Currently, the state is contracting with the federal government for this service at a cost of approximately \$10 million per year. The state cost for administering the supplement payments will be about \$1.5 million per year. As a result, administering these payments at the state level will save \$6.5 million in fiscal year 2003, and \$8-9 million per year after that. State administered SSI supplement payments will be made to clients receiving federal SSI, therefore no additional eligibility determination is required by the Department of Social and Health Services. Funding is included for start-up costs in fiscal years 2002 and 2003, and for annual state administration costs starting in fiscal year 2003.

12. Filipino Veterans - One-time funding is provided to veterans of World War II if they were members of the Commonwealth of the Philippines military forces and were in the service of the United States on July 26, 1941, or thereafter, and who move to the Philippines to establish and maintain a residence.

13. Teen Pregnancy Prevention - Funding is provided for continuation of a teen pregnancy prevention program managed by the Department of Health. The Department of Social and Health Services will provide these funds from the Temporary Assistance for Needy Families (TANF) block grant to the Department of Health through an interagency agreement. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	44,010	175,878	219,888
2001-03 Carryforward Level	43,752	176,326	220,078
2001-03 Maintenance Level	43,989	176,254	220,243
Policy Changes:			
1. SSI Client Treatment	0	2,944	2,944
2. Vendor Rate Increases	4,615	2,580	7,195
3. General Inflation	-42	0	-42
4. Transfer Drug Screening	-340	0	-340
5. Involuntary Treatment Beds	3,232	0	3,232
6. Vocational Program Eliminated	-1,806	0	-1,806
7. Expand Treatment Capacity	0	2,800	2,800
8. Additional Drug Courts	0	1,083	1,083
9. Shift DASA programs to GF-S	27,000	-27,000	0
10. P-CAP Funding	337	0	337
Total Policy Changes	32,996	-17,593	15,403
Total 2001-03 Biennium	76,985	158,661	235,646

Comments:

1. SSI Client Treatment - Funding is provided for drug and alcohol treatment for Supplemental Security Income (SSI) clients. The increased cost for treatment is offset by savings in the Medical Assistance Administration due to consolidated treatment services and increased service effectiveness. Funding is also included for on-going research and post-program evaluation to further determine the post-treatment utilization of medical services and the service effectiveness of consolidation. (Public Safety and Education Account-State)

2. Vendor Rate Increases - Funding is provided to increase overall vendor payments by an average of 2.1 percent in fiscal year 2002 and 2.3 percent in fiscal year 2003. (General Fund-State, Other Funds)

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Transfer Drug Screening - The 1999 Legislature authorized the Division of Alcohol and Substance Abuse (DASA) to develop and implement comprehensive programs for women who are abusing alcohol and drugs and provide help for their young children. The comprehensive programs include increased drug screening through the Department of Health (DOH) aimed at reducing perinatal substance abuse. Funding is transferred from DASA to DOH for these drug screening activities.

5. Involuntary Treatment Beds - The state of Washington currently has one chemical dependency involuntary treatment (CDIT) facility, located in western Washington. This CDIT facility treats individuals whose intoxication or withdrawal-related behaviors make them a danger to themselves or others. This one facility continuously operates at full capacity, forcing the diversion of individuals to emergency rooms, jails, detoxification centers and state psychiatric hospitals. The Division of Alcohol and Substance Abuse will establish a 35-bed CDIT facility in eastern Washington increasing the availability and accessibility to chemical dependency involuntary treatment services throughout the state. Patients meeting the commitment criteria of RCW 70.96A.140 but who voluntarily agree to treatment in lieu of commitment shall also be eligible for treatment in the new facility. The Department shall apply specific placement criteria to ensure that this new treatment capacity is prioritized for persons incapacitated as a result of chemical dependency and who are also high utilizers of hospital services.

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Alcohol & Substance Abuse

- 6. Vocational Program Eliminated** - The Vocational Opportunities Training and Education (VOTE) program is eliminated. The VOTE program assists the recovering population in becoming employed as part of an aftercare recovery plan.
- 7. Expand Treatment Capacity** - Funds are provided to expand capacity for substance abuse treatment for persons gravely disabled from drug and alcohol addiction, including those who are addicted to methamphetamines. These gravely disabled persons are often high utilizers of hospital services and involved with the criminal justice system due to their addiction. (Public Safety and Education Account-State)
- 8. Additional Drug Courts** - Funding is provided for adult and youth drug courts in Thurston, Cowlitz, Skagit, Kitsap and Clallam counties. Research indicates that drug courts provide savings for state and local governments because program participants are less likely to re-offend, resulting in reduced jail, court, and treatment costs. These drug courts will receive state assistance equal to one-half of their net federal funding loss. The balance in drug court funding will come from savings at the local level. (Public Safety and Education Account-State)
- 9. Shift DASA programs to GF-S** - Funding for drug and alcohol treatment is shifted from the Violence Reduction and Drug Enforcement Account to the General Fund. (General Fund-State, Violence Reduction and Drug Enforcement Account-State)
- 10. P-CAP Funding** - Funding is provided for capacity expansion in the Parent-Child Assistance Program. Expansion will occur in Region 1 programs and in Pierce County. The program in Pierce County will work together with a clean and sober housing project to prioritize services for mothers and children involved with methamphetamine labs.

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Medical Assistance Payments
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,580,705	3,300,391	4,881,096
2001-03 Carryforward Level	1,664,326	3,328,686	4,993,012
2001-03 Maintenance Level	2,234,578	3,792,996	6,027,574
Policy Changes:			
1. Medicare Pharmacy	-16,874	-17,126	-34,000
2. SSI Client Treatment	-5,615	-5,709	-11,324
3. Vendor Rate Increases	33,643	36,954	70,597
4. General Inflation	-345	-964	-1,309
5. Utilization and Cost Containment	-50,119	-32,437	-82,556
6. Health Center Prospective Payment	-110	-288	-398
7. Rural Hospital Reimbursement	1,274	730	2,004
8. Emergency Room Co-Pays	-184	-188	-372
9. TANF Transitional Medical Premiums	-2,460	-2,494	-4,954
10. Medicaid Buy-In Program #	0	4,000	4,000
11. Expand Proshare and DSH Programs	-33,490	1,180,026	1,146,536
12. Disease Case Management	-297	-305	-602
13. Dental Sealants	61	62	123
14. Breast & Cervical Cancer	0	2,578	2,578
15. CHIP Enrollment	0	8,610	8,610
16. Estate Recovery	-273	-277	-550
Total Policy Changes	-74,789	1,173,172	1,098,383
Total 2001-03 Biennium	2,159,789	4,966,168	7,125,957

Comments:

1. Medicare Pharmacy - Congress is expected to enact legislation adding outpatient prescription drugs to the federal Medicare benefits package. This is expected to result in savings for the state Medicaid program during the second year of the biennium, since many seniors who must now rely upon Medicaid for assistance with their drug costs will instead be able to obtain their prescriptions through Medicare. (General Fund-State, General Fund-Federal)

2. SSI Client Treatment - Savings are achieved as a result of increased funding for drug and alcohol treatment for Supplemental Security Income (SSI) recipients. Progress reports from an earlier pilot indicate that the increased cost of treatment is offset by savings from reduced hospitalizations, physician visits, and prescription drug expenditures for persons receiving treatment. (General Fund-State, General Fund-Federal)

3. Vendor Rate Increases - Funding is provided to increase the rates paid to hospitals, physicians, dentists, home health agencies, family planning clinics, and other organizations and individuals which contract with the state to provide medical assistance services. Rates are to be increased by 2.1 percent on July 1, 2001, and by an additional 2.3 percent on July 1, 2002. (General Fund-State, Health Services Account, General Fund-Federal)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

5. Utilization and Cost Containment - The Department is directed to increase its efforts to restrain the growth of health care costs projected for the 2001-03 biennium in the March 2001 forecast. Program savings will be realized through a combination of cost containment and utilization strategies aimed at reducing overall health care costs. The Department is directed to establish semiannual savings targets, and to report to the Legislature every six months on the extent to which those targets are being achieved. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Medical Assistance Payments

6. Health Center Prospective Payment - The Medical Assistance program will implement a new prospective payment system for federally-qualified urban and rural health centers effective January 1, 2002. Consistent with new federal legislation, the new system will limit increases in Medicaid payment rates to a national index of medical inflation. Washington's previous practice, as required by federal law prior to 1997, has been to provide full cost reimbursement to these centers. Implementing this change will avoid a projected \$5 million of state expenditure growth which would otherwise occur during 2001-03. Even with the change, the federally-qualified centers will continue to be paid about twice the amount which would be paid other community providers for the same service. (General Fund-State, Health Services Account, General Fund-Federal)

7. Rural Hospital Reimbursement - Funds are provided for enhanced reimbursement to small rural hospitals, in accordance with Chapter 2, 2001 Laws 2nd Special Session (small rural hospitals). (General Fund-State, General Fund-Federal)

8. Emergency Room Co-Pays - Co-payments will be imposed for non-emergency services provided in a hospital emergency room effective January 1, 2002. (General Fund-State, General Fund-Federal)

9. TANF Transitional Medical Premiums - During the second six months after leaving income assistance (TANF), adults will be required to pay premiums toward the cost of the medical and dental coverage which they receive through Medical Assistance. Premiums are expected to average approximately \$15 per adult per month, in accordance with an income-adjusted schedule similar to the one used for the Basic Health Plan (BHP). As under the BHP, coverage will be terminated for persons who, except for good cause shown, fall more than two months in arrears on premium payments. (General Fund-State, General Fund-Federal)

10. Medicaid Buy-In Program # - Washington will participate in the new Medicaid "Ticket to Work" program under which persons with substantial disabilities who go to work are able to obtain Medicaid coverage. To be eligible for the program, individuals will need to be working; meet Social Security disability standards; and have an income of less than about 450 percent of poverty (about \$39,000 per year for a single individual). All participants will be required to pay monthly premiums for their coverage, and a monthly deductible equal to 50 percent of any unearned income in excess of about \$560 per month. Premiums are to equal 5 percent of unearned income, plus approximately 2.5 percent of earned income. The Department is also directed to establish point-of-service cost-sharing requirements for drugs, office visits, and personal care services. If actual enrollment and costs exceed budgeted levels, the Department is directed to modify income eligibility and/or cost-sharing standards sufficiently to operate the program within budgeted levels. (General Fund-State, General Fund-Federal)

11. Expand Proshare and DSH Programs - New federal legislation enacted in December 2000 enables the state to collect additional Medicaid matching funds. Some of these additional revenues are used to offset part of the growth in state expenditures on medical assistance programs. \$7 million is provided to public hospital districts to assist them in the provision of uncompensated care. The balance of the new revenues are deposited into the state's Health Services Account, in order to assure sufficient funding in that account for the Basic Health Plan, and for Medicaid coverage for children with incomes below 200 percent of poverty. (General Fund-State, Health Services Account-State, General Fund-Federal)

12. Disease Case Management - The Medical Assistance program will research and implement at least three pilot projects to assist individuals with targeted diseases improve their health. The projects will involve two key components: (1) identifying persons who are likely to become seriously ill due to a combination of medical, social, and functional problems; and (2) working with them and their primary care provider to improve adherence to state-of-the-art treatment regimens. Based upon successful models in other states, initial diseases to be targeted are likely include diabetes, asthma, heart failure, renal disease, or cancer. Expenditures on program design, and fees for disease case management providers, are expected to be offset by 5-10 percent reductions in the medical costs which program participants would otherwise incur, resulting in a net savings. (General Fund-State, General Fund-Federal)

13. Dental Sealants - Chapter 93, 2001 Laws (access to dental care) authorizes registered dental hygienists to administer dental sealants and fluoride varnishes in schools without a dentist's supervision. This is expected to result in an approximately 1 percent increase in the number of children for whom such treatments are reimbursed by Medicaid. In future biennia, these costs are expected to be fully offset by reductions in treatment costs. (General Fund-State, General Fund-Federal)

14. Breast & Cervical Cancer - In accordance with Second Substitute House Bill 5820 (breast and cervical cancer), the Medical Assistance program will provide full-scope Medicaid benefits for low-income uninsured women who have been diagnosed with breast or cervical cancer through the federal screening program administered by the Department of Health. Federal Medicaid matching funds will cover approximately 65 percent of the cost. The Susan G. Komen Foundation has committed \$400,000 of private funds to cover approximately 45 percent of the remaining state share of program costs. (Health Services Account, General Fund-Federal, General Fund-Private/Local)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Medical Assistance Payments

15. CHIP Enrollment - Funds are provided so that the Children's Health Insurance Program (CHIP) can operate without a waiting list. A monthly average of 5,500 children are expected to be enrolled in the program during fiscal year 2002, and an average of 8,200 during fiscal year 2003. The program provides medical, dental, and mental health coverage for children whose families have incomes between 200-250 percent of the federal poverty level. (Health Services Account-State, General Fund-Federal)

16. Estate Recovery - Under current policy, the Department of Social and Health Services attempts to recover the cost of publicly-funded care from the estate after the deaths of a recipient of state-funded long-term care, and of his or her surviving dependents. The Department is proposing to begin recovering all medical assistance costs in such cases, rather than limiting collections to just long-term care, hospitalization, and prescription drug costs as was previously the case. The recoveries from this change will not be as large as anticipated by the Administration, since only costs incurred subsequent to the necessary regulatory change can be subject to recovery. To cover the difference, the budget anticipates that the Department will also initiate recoveries in the case of persons who have not received long-term care, but who have incurred substantial hospitalization or other medical assistance costs prior to death. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Vocational Rehabilitation
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	19,542	83,662	103,204
2001-03 Carryforward Level	19,635	82,134	101,769
2001-03 Maintenance Level	20,642	80,940	101,582
Policy Changes:			
1. Vendor Rate Increases	21	0	21
2. General Inflation	-314	0	-314
3. ESS Phase-Down	-189	0	-189
4. Centennial Building Lease Savings	-25	0	-25
5. Serve Additional Persons	954	3,158	4,112
Total Policy Changes	447	3,158	3,605
Total 2001-03 Biennium	21,089	84,098	105,187

Comments:

1. Vendor Rate Increases - Funding is provided for a 2.1 percent increase in the rates paid to providers of extended supported employment services effective July 1, 2001, and for an additional 2.3 percent rate increase on July 1, 2002.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. ESS Phase-Down - This item adjusts funding to the level projected to be needed to continue extended job support services for all persons currently enrolled in the program. Because the program no longer reflects current approaches to employment for persons with disabilities, new admissions to the program have been frozen for a number of years in order to allow a gradual phase-out.

4. Centennial Building Lease Savings - Lease costs are reduced due to the purchase of the Centennial buildings in Tacoma.

5. Serve Additional Persons - State matching funds are provided to assure that Washington is able to collect all funds which are expected to be available to it under the federal vocational rehabilitation formula grant. (General Fund-State, General Fund-Federal, General Fund-Local)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Administration/Support Svcs
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	56,090	49,588	105,678
2001-03 Carryforward Level	55,724	48,620	104,344
2001-03 Maintenance Level	57,702	49,400	107,102
Policy Changes:			
1. General Inflation	-265	-113	-378
2. Payment Review Program	648	1,376	2,024
3. Centennial Building Lease Savings	-3	-1	-4
4. State Hospital Billing System	164	71	235
5. Financial Rpt'g Improvement Project	1,365	555	1,920
6. Foster Care Trust Fund System	202	84	286
Total Policy Changes	2,111	1,972	4,083
Total 2001-03 Biennium	59,813	51,372	111,185

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Payment Review Program - Funding is provided for the Payment Review Program. This funding will cover three items: 1) the contract amount that exceeded the original estimate for the fraud and abuse detection system vendor; 2) an algorithm specialist who will respond to provider inquiries and relate them to data analysis and detailed algorithm results and findings; and 3) enhancements to the travel and training budget. (General Fund-State, General Fund-Federal)

3. Centennial Building Lease Savings - Lease costs are reduced due to the purchase of the Centennial buildings in Tacoma. (General Fund-State, General Fund-Federal)

4. State Hospital Billing System - The Health Care Financing Administration (HCFA) has directed the Mental Health Division to improve billing compliance with federal regulations. HCFA requires no less than 95 percent compliance with charges submitted, but the Finance Division has only achieved a 70 percent compliance level. Funding is provided for a fiscal technician and an accountant 2 to achieve billing compliance and reduce the payment backlog. (General Fund-State, General Fund-Federal)

5. Financial Rpt'g Improvement Project - One-time funding is provided for a joint effort between the Department of Social and Health Services (DSHS) Finance Division and the Office of Financial Management (OFM) for the development and maintenance of a new financial reporting system. The new system will bring DSHS in line with other state agencies that use the Agency Financial Reporting System (AFRS), and will move the responsibility of the cost allocation system to OFM. This move to AFRS will save DSHS \$517,000 per year in fiscal year 2004 and every year thereafter. (General Fund-State, General Fund-Federal)

6. Foster Care Trust Fund System - One-time funding is provided to develop a comprehensive management and accounting system for the Children's Administration Case and Management Information System (CAMIS). The current accounting system for foster care trust funds could result in audit findings and disallowance of federal funds. A new system will automate the distribution of funds and provide immediate updates of financial information to social workers. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Payments to Other Agencies
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	62,415	21,932	84,347
2001-03 Carryforward Level	62,451	22,073	84,524
2001-03 Maintenance Level	86,106	26,665	112,771
Total 2001-03 Biennium	86,106	26,665	112,771

Comments:

2001-03 Omnibus Operating Budget
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	0	0
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	0	0	0
Total 2001-03 Biennium	0	0	0

Comments:

2001-03 Omnibus Operating Budget
Columbia River Gorge Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	730	676	1,406
2001-03 Carryforward Level	702	663	1,365
2001-03 Maintenance Level	711	672	1,383
Policy Changes:			
1. Match Oregon Current Service Level	5	4	9
2. Agency Legal Services	73	73	146
Total Policy Changes	78	77	155
Total 2001-03 Biennium	789	749	1,538

Comments:

1. Match Oregon Current Service Level - Funding is provided to match the Oregon program. The Columbia River Gorge National Scenic Area Act requires that the Oregon and Washington joint program is funded at the same level. (General Fund-State, General Fund-Local)

2. Agency Legal Services - Funding is provided for increased Attorneys General costs for the Columbia River Gorge Commission. (General Fund-State, General Fund-Local)

2001-03 Omnibus Operating Budget
Department of Ecology
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	82,332	206,347	288,679
2001-03 Carryforward Level	83,937	201,477	285,414
2001-03 Maintenance Level	86,104	203,893	289,997
Policy Changes:			
1. Methamphetamine Lab Cleanup	0	1,939	1,939
2. Inflation Rate Exception	0	128	128
3. Eliminate Air Emission Hot-Lines	-230	0	-230
4. Reduction to Match Revenue	0	-141	-141
5. Preventing Oil Spills	1,700	280	1,980
6. Access Waste Information	0	431	431
7. Eliminate Air Permit Help to Locals	-226	0	-226
8. Network Infrastructure	0	323	323
9. Bioaccumulative Toxics Strategy	0	800	800
10. Assess Hazardous Waste Liability	0	500	500
11. Area Wide Contamination	0	1,200	1,200
12. Reduce Toxics Studies	-148	0	-148
13. Consolidating Lab Accreditation	202	0	202
14. The Clean Sites Initiative	0	9,365	9,365
15. Aquatic Weeds Grants	0	450	450
16. Waste Reduction Efforts	0	200	200
17. Reduce Lab Accreditation Activities	-54	0	-54
18. Water Law Compliance	1,148	0	1,148
19. Reducing Hazardous Waste Generation	0	200	200
20. Superfund Cleanup Match	0	2,000	2,000
21. Pine Hollow EIS	0	325	325
22. General Inflation	-1,450	-1,347	-2,797
23. Enhanced Stream Flow Monitoring	500	1,113	1,613
24. Sharing Costs to Manage Stormwater	0	1,000	1,000
25. Reforming Water Law	250	0	250
26. Water Right Change Decisions	3,000	3,000	6,000
27. Drought Response	0	5,000	5,000
28. Water Rights Data	0	847	847
29. Salmon Recovery Account Adjustment	0	-1,148	-1,148
30. Instream Flows	0	600	600
31. Environmental Excellence Program	0	484	484
32. Support Local Watershed Planning	0	3,114	3,114
33. Water Resources Attorney Support	318	0	318
34. Nuclear Waste Attorney Support	0	382	382
35. Support Watershed Cooperatives	0	200	200
36. Latah Creek Flood Control	0	84	84
Total Policy Changes	5,010	31,329	36,339
Total 2001-03 Biennium	91,114	235,222	326,336

Comments:

1. Methamphetamine Lab Cleanup - Funding is provided for six additional staff to address methamphetamine lab cleanups.
(Public Safety Education Account, State Toxics Control Account)

2001-03 Omnibus Operating Budget
Department of Ecology

2. Inflation Rate Exception - Funding is provided for increased costs for janitorial, landscaping and security contracts for agency facilities to maintain current levels of service while minimizing the reduction to other core environmental functions. (State Toxics Control Account, various other funds)

3. Eliminate Air Emission Hot-Lines - Funding is reduced for the statewide vehicle emission check information line. The information line will be replaced with local toll-free information lines operated out of regional offices.

4. Reduction to Match Revenue - Appropriation authority is reduced for the Air Operating Permit Account to a level that can be supported by estimated revenue for the 2001-2003 biennium. This account funds the permitting and oversight of air emissions within the state. (Air Operating Permit Account)

5. Preventing Oil Spills - Funding is provided for the Department to establish charter safety tug services. Safety tug services may be dispatched by the Department at the request of the the United States Coast Guard captain of the port for Puget Sound to the areas or incidents that the department or the captain of the port deem to be of highest concern and will include the placement of a dedicated tug at Neah Bay for not less than 200 days. Funding is also provided for a feasibility study for a tracking system using transponders and advanced radar technologies. The Marine Information System will be updated (\$180,000 one-time funding) to access vessel incident reporting information from the federal government. This information is used to target inspections and field work. (Oil Spill Prevention Account)

6. Access Waste Information - Funding is provided for Internet technology and support to enhance public access to environmental data via the Internet. Additional solid and hazardous waste related information will be placed on the Internet, and reporting and mapping options will be developed, including the delivery of information on a geographic basis. (State Toxics Control Account)

7. Eliminate Air Permit Help to Locals - Funding is eliminated for pre-application permit assistance to other state and local air permitting agencies. Air quality program staff will continue to provide assistance in situations where the department has direct permitting responsibility.

8. Network Infrastructure - Funding is provided to increase agency-wide telecommunication line capacity and to upgrade the northwest regional office computer system cabling to allow for more efficient communication. (State Toxics Control Account, various other funds)

9. Bioaccumulative Toxics Strategy - Funding is provided to implement a strategy to eliminate releases, and reduce the existence of persistent bioaccumulative toxic chemicals (PBTs). Baseline monitoring will be conducted and chemical specific action plans will be developed to reduce PBTs in the environment. One-time funding of \$54,000 is included for the Department of Health for their participation in developing this strategy. (State Toxics Control Account)

10. Assess Hazardous Waste Liability - One-time funding is provided to assess the limits of current statutes and regulations governing hazardous waste facilities, including financial assurances to ensure that bankruptcy or other unexpected site closures do not leave an unmet cleanup liability. (State Toxics Control Account)

11. Area Wide Contamination - One-time funding is provided to develop a strategy to address emergent area-wide soil contamination problems arising from arsenic and other toxic chemicals. The strategy will include a public involvement process, an assessment of the geographical locations of contamination and hot spots and initiation of pilot clean-up projects. (State Toxics Control Account)

12. Reduce Toxics Studies - Funding is reduced for toxic chemical studies currently conducted to assist in addressing contamination problems, identifying regulatory strategies, and developing water cleanup plans. The number of toxics studies completed by the Department of Ecology is reduced from 20 to 17 per year.

13. Consolidating Lab Accreditation - The Department of Ecology, in cooperation with the Department of Health (DOH) and client laboratories, has determined the DOH Drinking Water Laboratory Certification program should be combined with the DOE Environmental Laboratory Accreditation program. This will provide a one-stop validation agency for client labs, and will reduce costs as a result of more efficient operations. Increased costs to the Department of Ecology will be offset by corresponding reductions in the DOH budget.

14. The Clean Sites Initiative - One-time funding is provided to clean up sites contaminated by toxic chemicals that present a serious threat to human health and the environment. Any funds recovered from parties responsible for contamination will be reimbursed into the State Toxics Control Account. (State Toxics Control Account)

2001-03 Omnibus Operating Budget
Department of Ecology

15. Aquatic Weeds Grants - Funding is provided to support previous grant awards and to maximize the amount of new grants that can be awarded to local governments in the 2001-03 biennium. (Freshwater Aquatic Weeds Account)

16. Waste Reduction Efforts - One-time funding is provided for an assessment of the current toxic pollution prevention and dangerous waste programs. The Department of Ecology will work with stakeholder focus groups to evaluate the performance of existing programs and assess waste generating activities to identify improvements in waste reduction. (State Toxics Control Account)

17. Reduce Lab Accreditation Activities - Funding is reduced for the Department of Ecology's Environmental Assessment program, reducing the number of audits conducted for accredited laboratories.

18. Water Law Compliance - Ongoing funding is provided for water law compliance, originally funded in the 1999-01 biennium from the Salmon Recovery Account. Funding supports technical assistance and enforcement efforts for water quantity and non-point water quality.

19. Reducing Hazardous Waste Generation - One-time funding is provided for additional hazardous waste management technical assistance and pollution prevention activities including assisting 60 businesses in developing pollution prevention plans, implementing pollution prevention measures, and integrating best management practices into business operations. (Hazardous Waste Assistance Account)

20. Superfund Cleanup Match - One-time funding is provided for the state match for federal Superfund cleanup costs. The federal Superfund law requires states to pay ten percent of all remedial action costs and all operation and maintenance costs at federally funded cleanup sites. Existing match obligations to the Environmental Protection Agency total almost \$8 million. (State Toxics Control Account)

21. Pine Hollow EIS - Funding is provided to complete the pine hollow environmental impact statement initiated in the 1999-01 biennium (State Drought Preparedness Account)

22. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

23. Enhanced Stream Flow Monitoring - Funding is provided for enhanced stream flow gauging and monitoring in five critical basins. Of this amount, \$500,000 is provided for local governments to hire stream gauging staff, \$700,000 to purchase the equipment, and \$400,000 in technical assistance to develop gauging plans, install and maintain gauges, and provide data management services including real-time data transmission and web based data access. (General Fund State, Emergency Water Reserve Account State)

24. Sharing Costs to Manage Stormwater - Funding is provided for the Department to update stormwater manuals, write new stormwater permits, and provide technical assistance to local governments to implement new stormwater requirements under the Environmental Protection Agency Phase II Stormwater requirements. (State Toxics Control Account)

25. Reforming Water Law - Funding is provided for fiscal year 2002 to continue the strategy to update water law. Since the last major update of the code in 1971, competing demands for the state's finite water supply have sharply increased and Endangered Species Act listings have complicated water management.

26. Water Right Change Decisions - Funding is provided to implement Substitute House Bill 1832 (water resources management) and process applications for changes or transfers of existing water rights. (Water Quality Account)

27. Drought Response - Funding is provided to purchase or lease water in response to low stream flows due to the drought. Of the total amount of funding, \$564,000 is provided for staff to implement a drought response strategy and operate a drought emergency center. Staff will process drought related water rights changes in 15 days. (State Drought Preparedness Account, Emergency Water Reserve Account State)

28. Water Rights Data - Funding is provided to replace the water rights information system with a system designed to provide geographic information accessible via the Internet.

29. Salmon Recovery Account Adjustment - Funding is removed for activities supported by the Salmon Recovery Account funded in the 1999-01 biennium from one-time revenue sources. (Salmon Recovery Account)

2001-03 Omnibus Operating Budget
Department of Ecology

30. Instream Flows - Funding is provided for the Department to set instream flows in six critical basins currently not planning under the Watershed Planning Act.

31. Environmental Excellence Program - Funding is provided for the Department to implement projects with sponsors participating in the Environmental Excellence program. (Environmental Excellence Account)

32. Support Local Watershed Planning - Funding is provided to implement SHB 1832 (water resources management). Of the total funding, \$2.1 million is provided for grants for targeted watershed assessments in seven basins to provide information to local planning units. In addition, funding is provided to develop a State Environmental Policy Act template to streamline environmental review and plan implementation. The Departments of Ecology and Fish and Wildlife will also provide technical assistance in hydrogeology, fish biology, streamflows, and water rights. Finally, a panel will be created to develop long term options to fund watershed plan implementation. (Water Quality Account)

33. Water Resources Attorney Support - Funding is provided for additional support from the Attorney General's office associated with water resources litigation.

34. Nuclear Waste Attorney Support - Funding is provided for additional attorney support to enforce the Hanford Tri-Party Agreement among the state, the Environmental Protection Agency and the U.S. Department of Energy. (State Toxics Control Account)

35. Support Watershed Cooperatives - Funding is provided for a statewide coordinator position for cooperative watershed groups not planning under Chapter 90.82 RCW.

36. Latah Creek Flood Control - Funding provided for the Latah Creek feeder bank stabilization project. (Flood Control Assistance Account)

2001-03 Omnibus Operating Budget
WA Pollution Liab Insurance Program
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	2,138	2,138
2001-03 Carryforward Level	0	2,151	2,151
2001-03 Maintenance Level	0	2,167	2,167
Policy Changes:			
1. General Inflation	0	-17	-17
Total Policy Changes	0	-17	-17
Total 2001-03 Biennium	0	2,150	2,150

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Pollution Liability Insurance Program Trust Account, Heating Oil Pollution Liability Trust Account)

2001-03 Omnibus Operating Budget
State Parks and Recreation Comm
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	57,954	34,437	92,391
2001-03 Carryforward Level	58,229	34,724	92,953
2001-03 Maintenance Level	59,720	33,508	93,228
Policy Changes:			
1. General Inflation	-273	-175	-448
2. Maintenance Backlog	4,000	0	4,000
3. Lewis and Clark Interpretive Center	325	0	325
4. Parks Management	700	0	700
5. Ranger & Visitor Safety	1,000	0	1,000
6. Forest Road Inventory	200	0	200
7. Internet Materials and Permits	0	166	166
8. Native American Artifacts	100	0	100
9. Silver Lake Visitor Center	0	432	432
10. Winter Recreation - Snowmobile	0	1,000	1,000
11. Water Trails Enhancements	0	10	10
12. Boating Safety & Education	0	534	534
13. Cama Beach Operating Reduction	-440	0	-440
14. Assistance/Planning Reductions	-168	0	-168
Total Policy Changes	5,444	1,967	7,411
Total 2001-03 Biennium	65,164	35,475	100,639

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

2. Maintenance Backlog - Funding is provided to preserve and maintain the state park system. State Parks shall prioritize projects to address critical maintenance projects that protect public health and safety.

3. Lewis and Clark Interpretive Center - Funding is provided to staff the Lewis and Clark Interpretive Center at Fort Canby in anticipation of the bicentennial celebration of the Lewis and Clark expedition.

4. Parks Management - Funding is provided for parks management activities including protection of resource damage, an interpretive assistant, additional weed control, and operation of the Hyak Lodge environmental learning center.

Funding is also provided for staff and maintenance costs associated with operating the sewage treatment plant at Sequest State Park. The U.S. Forest Service is proposing closure of its Mt. St. Helen's Visitor Center at Silver Lake/Sequest State Park. Co-located with the Center and operated by the Forest Service is a sewage treatment facility that processes wastes from Sequest State Park. The Washington State Parks & Recreation Commission has entered into an agreement with the Forest Service to take over the operation and maintenance of Mt. St. Helen's Visitor Center for one year to see if the visitor center is economically viable.

5. Ranger & Visitor Safety - Funding is provided for additional rangers to reduce single-ranger patrols and for response agreements with local law enforcement and emergency 911 dispatch centers.

6. Forest Road Inventory - Funding is provided to evaluate, survey and map all forest roads on state parks lands to determine future actions needed to protect salmon and water quality.

7. Internet Materials and Permits - Funding is provided to develop a system to make permits and other materials available to citizens over the Internet. (Parks Renewal and Stewardship Account, Winter Recreation Program Account, Snowmobile Account)

**2001-03 Omnibus Operating Budget
State Parks and Recreation Comm**Wednesday, June 20, 2001
4:31 pm

8. Native American Artifacts - Pursuant to federal law, State Parks began work to inventory and catalogue its collection of Native American artifacts and human remains in the 1999-01 biennium. Additional funding is provided to conduct consultations with Native American tribal representatives and to construct appropriate storage for artifacts and remains.

9. Silver Lake Visitor Center - Funding is provided for staffing and operation of the Mt. St. Helens Visitor Center at Silver Lake/Seaquest State Park. (Parks Renewal and Stewardship Account)

10. Winter Recreation - Snowmobile - Funding is provided to open new snow parks, increase the parking lot size of snow parks, increase grooming of trails, and fund additional parking lot snow removal. Funds for services are derived from snowmobile registrations and a portion of the gasoline tax. (Snowmobile Account - State)

11. Water Trails Enhancements - Funding is provided for improvements to facilities maintained by the Water Trails program. (Water Trails Program Account-State)

12. Boating Safety & Education - Additional federal funding will be used for grants focused toward law enforcement training and equipment, and to increase the frequency of boater education messages. (General Fund-Federal)

13. Cama Beach Operating Reduction - Funding is reduced for implementation of historic building maintenance and park management services at the new Cama Beach State Park. This park is expected to open in September 2002. Four staff positions will not be hired until the 2003-05 biennium.

14. Assistance/Planning Reductions - Funding is eliminated for a position coordinating requests to use state parks facilities by special recreation groups and a part time position for park construction and planning.

2001-03 Omnibus Operating Budget
Interagency Comm for Outdoor Rec
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	275	6,517	6,792
2001-03 Carryforward Level	275	3,239	3,514
2001-03 Maintenance Level	291	3,262	3,553
Policy Changes:			
1. General Inflation	-3	-12	-15
2. Programmatic Adjustments	0	-6	-6
3. Outdoor Recreation Resource Plan	0	445	445
4. Maury Is. Conservation Initiative	0	200	200
5. Statewide Monitoring Strategy	500	1,000	1,500
6. Salmon Technical Panel	0	200	200
7. Forests and Fish Agreement Rules	0	8,000	8,000
8. SRFB Administration	0	358	358
Total Policy Changes	497	10,185	10,682
Total 2001-03 Biennium	788	13,447	14,235

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

2. Programmatic Adjustments - Funding is reduced for operating expenses for the Firearms Range Account and Nonhighway and Off-Road Vehicle Activities Program Account. This reduction aligns available revenue and operating expenses with the statutory requirements for these two accounts. (Firearms Range Account-State, Nonhighway and Off-Road Vehicle Activities Program Account-State)

3. Outdoor Recreation Resource Plan - One-time funds are provided to update the Statewide Comprehensive Outdoor Recreation Plan and to meet federal requirements. The current statewide plan expires December 2001 and the Interagency Committee for Outdoor Recreation is required develop a statewide strategic plan for the acquisition, renovation, and development of recreational resources and the conservation of open space. (Recreation Resources Account-State, Recreation Resources Account-Federal)

4. Maury Is. Conservation Initiative - Funding is provided for the Interagency Committee for Outdoor Recreation to make a grant to the Cascade Land Conservancy (CLC) to develop and implement a conservation initiative for Maury Island. The CLC will provide appraisal services, develop a plan of finance for public/private land acquisition and conduct negotiations among purchasers and willing sellers.

5. Statewide Monitoring Strategy - Funding is provided for the Interagency Committee for Outdoor Recreation and Salmon Recovery Funding Board to lead other state agencies in developing a statewide approach to salmon recovery adaptive management and monitoring. A coordinated and comprehensive statewide adaptive management and monitoring strategy is needed to meet the needs of the statewide strategy to recover salmon. (General Fund-State, Water Quality Account, State Toxics Control Account)

6. Salmon Technical Panel - Funding is provided for the Salmon Recovery Funding Board salmon technical panel to assist lead entities with project identification, evaluation and prioritization. (Water Quality Account-State)

7. Forests and Fish Agreement Rules - Funding is provided for the Salmon Recovery Funding Board to pass through to the Department of Natural Resources and the Department of Fish and Wildlife to implement the Forest and Fish Agreement. Specific work will include completion of databases for streams and lakes, wetlands and forest roads, a new forest practices application system, and adaptive management activities. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Interagency Comm for Outdoor Rec

Wednesday, June 20, 2001
4:31 pm

8. SRFB Administration - Funding is provided for administrative support for the Salmon Recovery Funding Board. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Environmental Hearings Office
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,708	0	1,708
2001-03 Carryforward Level	1,731	0	1,731
2001-03 Maintenance Level	1,703	0	1,703
Policy Changes:			
1. General Inflation	-10	0	-10
Total Policy Changes	-10	0	-10
Total 2001-03 Biennium	1,693	0	1,693

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2001-03 Omnibus Operating Budget
State Conservation Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	5,302	4,096	9,398
2001-03 Carryforward Level	4,216	3,858	8,074
2001-03 Maintenance Level	4,301	3,893	8,194
Policy Changes:			
1. Conservation District Manual	20	9	29
2. Statewide Habitat Limiting Factors	0	1,601	1,601
3. Administrative Manager	82	76	158
4. Engineering Grants	0	900	900
5. Audit Costs	0	128	128
6. Salmon Recovery Account Adjustment	0	-3,368	-3,368
7. AFW Negotiations	0	500	500
Total Policy Changes	102	-154	-52
Total 2001-03 Biennium	4,403	3,739	8,142

Comments:

1. Conservation District Manual - One-time funding is provided to update the conservation district procedure manual. The manual is used by conservation districts and contains at least 20 sections that will be revised based on changes in policies and regulations, changes in state or federal law, and changes in the structure of agencies and organizations. (General Fund-State, Water Quality Account-State)

2. Statewide Habitat Limiting Factors - Funding is provided to continue identifying limiting factors for salmon and trout. (Water Quality Account-State)

3. Administrative Manager - Funding is provided for an administrative position for the Commission to prepare and manage its operating and capital budgets and provide financial planning assistance to its grants program. (General Fund-State, Water Quality Account-State)

4. Engineering Grants - Funding is provided for conservation district grants to hire engineers to design salmon recovery and other projects that benefit salmon. (Water Quality Account)

5. Audit Costs - Funding for audits of conservation districts is moved from the capital budget to the operating budget. (Water Quality Account-State)

6. Salmon Recovery Account Adjustment - Funding is removed for activities supported by the Salmon Recovery Account that were funded in the 1999-01 biennium from one-time revenue sources. (Salmon Recovery Account)

7. AFW Negotiations - Funding is provided for grants to various stakeholder groups to participate in the agriculture, fish, and water (AFW) negotiations to develop best management practices that will protect and recover salmon. (Water Quality Account-State)

2001-03 Omnibus Operating Budget
Dept of Fish and Wildlife
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	91,249	194,518	285,767
2001-03 Carryforward Level	93,151	186,935	280,086
2001-03 Maintenance Level	94,602	187,801	282,403
Policy Changes:			
1. General Inflation	-764	-1,319	-2,083
2. Wildlife Conservation and Education	0	1,000	1,000
3. Salmonid Stock Inventory	400	0	400
4. Smolt Production Monitoring	1,100	0	1,100
5. Implement Forest and Fish Agreement	776	0	776
6. Forest Roads Management Plan	265	0	265
7. Hydropower Relicensing	389	0	389
8. Lead Entity Core Operations	3,250	0	3,250
9. Local Technical Assistance	1,200	0	1,200
10. Hatchery ESA Strategy	500	0	500
11. Pacific Salmon Treaty State Match	1,300	5,000	6,300
12. Hatchery Operations	0	7,050	7,050
13. Nongame Wildlife Program	0	360	360
14. Recreational Site Enhancements	0	124	124
15. Salmon Recovery Account Adjustment	0	-7,219	-7,219
16. Fish Screen Compliance	600	0	600
17. Regional Salmon Recovery Planning	0	1,000	1,000
18. Federal Funding Adjustment	0	-2,050	-2,050
19. Information Systems Strategic Plan	0	851	851
20. Geographic Information System	0	373	373
21. Wildlife Area Operations	0	48	48
22. Recover Endangered Wildlife Species	0	204	204
23. Problem Bear and Cougar Management	0	250	250
24. Vehicle and Vessel Replacement	0	125	125
25. Resident and Marine Fish Management	450	450	900
26. Youth Sport Fishing Program	0	156	156
27. Enhance Web-Based Communication	0	75	75
28. Point-of-Sale Data Analysis	0	80	80
29. Core Salmon Recovery Activities	1,000	150	1,150
30. Fence Maintenance	0	206	206
31. Coastal Crab Pot Tags	0	160	160
32. Attorney Support for ESA Compliance	88	59	147
33. Oyster Reserve Lands	-60	135	75
34. WildWatchCam	0	25	25
35. Lake Management District Assessment	15	0	15
36. Lower Skykomish HCP	250	0	250
37. Samish Hatchery Restoration	636	0	636
38. Business Services Reductions	-1,114	0	-1,114
39. Technical Assistance Reductions	-568	0	-568
40. Fish, Hatchery and Land Stewardship	-1,318	0	-1,318
41. Program Services Reductions	-635	0	-635
42. Programmatic Adjustments	0	-819	-819
Total Policy Changes	7,760	6,474	14,234
Total 2001-03 Biennium	102,362	194,275	296,637

2001-03 Omnibus Operating Budget
Dept of Fish and Wildlife
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
<hr/>			

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

2. Wildlife Conservation and Education - Funding is provided to enhance wildlife conservation and education programs. Projects will include species inventorying, priority habitat and species mapping, expansion of watchable wildlife programs and public education. (General Fund-Federal)

3. Salmonid Stock Inventory - Funding is provided to continue the Salmonid Stock Inventory (SaSI) to identify and monitor the status of Washington's salmonid fish stocks.

4. Smolt Production Monitoring - Ongoing funding is provided to conduct smolt monitoring to continue assessing the productivity of juvenile salmonids as a measure of the health of stream systems and to measure the success of salmon recovery efforts.

5. Implement Forest and Fish Agreement - Ongoing funding is provided for five biologists to continue statewide coordination and implementation of the forest and fish rules; integration of portions of the Hydraulic Code into the forest practices rules to provide permit streamlining; and sharing the responsibility of developing and implementing the required forests and fish agreement monitoring and adaptive management program.

6. Forest Roads Management Plan - Funding is provided for a statewide road plan and a Geographic Information Systems database for forest roads on departmental lands. The Department of Fish and Wildlife has over 725 miles of forest roads on state wildlife areas. Under the forest and fish agreement, a road management plan must be completed within five years for all timberlands to address issues such as fish passage, sedimentation, and erosion.

7. Hydropower Relicensing - Funding is provided for staff to represent the state's fish and wildlife interests in the hydro project relicensing process by the Federal Energy Regulatory Commission.

8. Lead Entity Core Operations - Funding is provided for local lead entities. The groups solicit habitat improvement and restoration projects, develop habitat project lists and recommend development and maintenance of habitat work schedules. The Department will continue to provide basic grants to the estimated 26 lead entities that will operate in the 2001-03 biennium.

9. Local Technical Assistance - Ongoing funding is provided for the Department of Fish and Wildlife's Watershed Steward Team to provide technical assistance for engineering and design, and fish and habitat science to project sponsors, lead entities, landowners, local governments, regional fisheries enhancement groups, and others involved in local salmon recovery projects.

10. Hatchery ESA Strategy - Funding is provided to continue implementation of a hatchery Endangered Species Act program.

11. Pacific Salmon Treaty State Match - Funding is provided to match federal funds to implement license buyback provisions of the United States - Canada salmon treaty. (General Fund-State, General Fund-Federal)

12. Hatchery Operations - Funding is provided to support hatchery operations at facilities supported by agreements with public utility districts. (General Fund-Private/Local)

13. Nongame Wildlife Program - Funding is provided for administrative costs of the nongame wildlife program at the Department. Revenues from personalized license plate sales will be used to support both program and administrative costs of the nongame program. (Wildlife Fund-State)

14. Recreational Site Enhancements - Funding is provided to improve sanitation and maintenance of public recreation access sites statewide. (Wildlife Fund-State)

2001-03 Omnibus Operating Budget
Dept of Fish and Wildlife

15. Salmon Recovery Account Adjustment - Funding is removed for activities supported by the Salmon Recovery Account funded in the 1999-01 biennium from one-time revenue sources. (Salmon Recovery Account)

16. Fish Screen Compliance - Funding is provided to implement four cooperative fish screen compliance programs, two in western Washington and two in eastern Washington. The cooperative compliance program will conduct fish screen, fish way, and fish passage barrier assessments and correction plans for landowners seeking cooperative compliance agreements with the Department.

17. Regional Salmon Recovery Planning - Funding is provided for grants to lead entities or watershed planning units that agree to coordinate the development of comprehensive local and regional salmon recovery plans. Annual grants may be up to \$125,000. (Water Quality Account-State)

18. Federal Funding Adjustment - Federal funding is decreased due to declining federal funding from Dingell-Johnson funds. (General Fund-Federal)

19. Information Systems Strategic Plan - Funding is provided to continue implementation of the Information Systems strategic plan including a personal computer leasing program, migration to office suite software, modernizing agency file server and network infrastructure, and standardizing data administration. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (State Wildlife Account-State)

20. Geographic Information System - Funding is provided for updating the department's Geographic Information System (GIS) data to more current software. The Department must ensure that the new data management system is consistent with other state natural resource systems and develop protocols for sharing data. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (General Fund-State, State Wildlife Account-State)

21. Wildlife Area Operations - Funding is provided operating impacts associated with habitat acquisitions authorized by the Legislature during the 1999-01 biennium. (State Wildlife Account-State)

22. Recover Endangered Wildlife Species - Funding is provided for scientific review, collection, and analysis of data to determine the status of wildlife species for wildlife and game species management. The Department will complete additional research, develop recovery plans and initiate recovery actions for endangered and threatened wildlife species, including western pond turtles, pigmy rabbits, caribou and Columbia white-tailed deer. (State Wildlife Account-State)

23. Problem Bear and Cougar Management - Funding is provided for a biologist and veterinarian services to address problem bear and cougar management. Enforcement staff were funded in the 2000 supplemental budget. (Wildlife Fund-State)

24. Vehicle and Vessel Replacement - Funding is provided for the Department to replace vehicles and vessels that have exceeded replacement schedule requirements. (State Wildlife Account-State)

25. Resident and Marine Fish Management - Funding is provided to backfill a decrease in federal funding for many core marine and resident fish management and stock assessment activities. The state general fund will be used to support fish management activities including biological sampling, fishery monitoring, and stock status. (General Fund-State, General Fund-Federal)

26. Youth Sport Fishing Program - Funding is provided for a youth fishing coordinator to develop partnerships with local communities, and to identify, develop, fund and promote youth fishing events and opportunities. Event coordination and promotion services will be contracted to a private consultant. (State Wildlife Account-State)

27. Enhance Web-Based Communication - Funding is provided for a contract to enhance web-based communication to improve internal services and productivity by increasing access to recreational opportunity information, regulatory changes, scientific data, document libraries, and technical assistance for agency employees. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (State Wildlife Account-State)

28. Point-of-Sale Data Analysis - Funding is provided for a private contractor to develop reports from data gathered using the new automated point-of-sale system. These reports will provide information to manage recreational opportunities and license sale revenues. (State Wildlife Account-State)

29. Core Salmon Recovery Activities - Funding is provided to replace decreases in federal funding levels for core salmonid recovery activities including monitoring and biological sampling, smolt trapping, and fishery planning. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Dept of Fish and Wildlife

30. Fence Maintenance - Funding for fence maintenance operations is transferred from the capital budget to the operating budget. (State Wildlife Fund-State)

31. Coastal Crab Pot Tags - Funding is provided to implement Substitute Senate Bill 6110 (Puget Sound crab pot buoy). The Department shall purchase buoy tags to ensure that coastal crab pot limits are followed. (Coastal Crab Account-Nonappropriated)

32. Attorney Support for ESA Compliance - Funding is provided for increased legal assistance from the Attorney General's office for compliance with the requirements of the Endangered Species Act. (General Fund-State, Wildlife Fund-State)

33. Oyster Reserve Lands - Funding is provided to implement Substitute House Bill 1658 (state oyster reserve lands). The oyster reserve land account will fund the Department's management of the oyster reserve lands in Puget Sound and Willapa Bay and the shellfish-on-site sewage grant program administered by the Puget Sound Action Team. (General Fund-State, Oyster Reserve Land Account--State)

34. WildWatchCam - Funding is provided for the WildWatchCam program to provide Internet transmission of live views of wildlife in their habitats, including seals, bats and bald eagles. (Wildlife Account-State)

35. Lake Management District Assessment - Funding is provided for increased assessments of Department-managed property within lake management districts.

36. Lower Skykomish HCP - Funding is provided for the Department's participation in the planning, scientific assessment and development of a salmon habitat conservation plan as proposed by the Lower Skykomish River Habitat Conservation Group.

37. Samish Hatchery Restoration - Funding is provided for operation of the Samish hatchery facility.

38. Business Services Reductions - Funding is reduced within the business services program by eliminating 6.4 staff positions from the Licenses and Financial Services Divisions, Director's office and Public Affairs office. Additional savings will result from the elimination of Automated Financial Reporting System reports through the implementation of an automated license system and a reduction to the goods, services and travel budget of the Fish and Wildlife Commission. A contract with the United States Department of Agriculture-Wildlife Services that provides assistance to landowners in alleviating livestock, crop and property damage from wildlife disturbances will also be reduced. The elimination of the poaching hotline contract with the Washington State Patrol will save money and improve service levels by routing all calls directly to the enforcement program during regular business hours. The State Patrol will continue to handle poaching complaints after hours.

39. Technical Assistance Reductions - Funding is reduced for the Wetlands Technical Assistance program reducing participation in the Corps of Engineers Nationwide Permit Program, the Corps of Engineers Regional Permit Program and the State Mitigation Banking Rule Technical Committee. One-half of a staff position from the Priority Habitats and Species and Growth Management Act programs will be eliminated resulting in fewer and more limited review of land use decisions affecting fish and wildlife resources in Benton, Kittitas, Franklin and Yakima counties. One and one-half staff positions providing technical assistance to the Department of Ecology and the Environmental Protection Agency for Superfund and Toxic Control Act site cleanup will be eliminated. One-half of a staff position providing technical assistance to the rural landowner program will be eliminated resulting in delays for rural landowners to obtain assistance in converting marginal farmland to more productive recreational and wildlife habitat.

40. Fish, Hatchery and Land Stewardship - Funding is reduced due to the elimination of salmon production at the Fox Island Net Pens and reductions at the Wallace River Hatchery. Administrative support is also reduced for hatchery programs. A reduction to the Lake Washington sockeye salmon fishery monitoring and research program will eliminate diet and abundance estimates used for preseason run predictions. A reduction in oyster reserve management funding will result in less oyster seed being available for private shellfish growers. Lake management use of rotenone will be reduced 52 percent resulting in three fewer lakes in Eastern Washington being managed for high quality trout. The Washington Conservation Corps will reduce two full-time crews to two half-time crews, reducing stewardship and maintenance activities at statewide wildlife areas and public recreational access sites.

41. Program Services Reductions - Retirement vacancies expected at the beginning of the 2001-2003 biennium will remain unfilled resulting in reductions to non-field enforcement program positions. Additional savings for the enforcement program will result in reducing equipment and goods and services. Two administrative positions will be eliminated from the fish program, resulting in reduced secretarial, customer service, visitor service, and employee support to each program.

2001-03 Omnibus Operating Budget
Dept of Fish and Wildlife

Wednesday, June 20, 2001
4:31 pm

42. Programmatic Adjustments - Funding is reduced to adjust appropriation authority with estimated revenues for the Recreational Fisheries Enhancement Account, Eastern Washington Pheasant Enhancement Account, Regional Fisheries Enhancement Account and the Off Road Vehicle Account. (Recreational Fisheries Enhancement Account-State, Eastern Washington Pheasant Enhancement Account-State, Regional Fisheries Enhancement Account-Nonappropriated, Off Road Vehicle Account-State)

2001-03 Omnibus Operating Budget
Department of Natural Resources
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	56,506	202,350	258,856
2001-03 Carryforward Level	48,863	197,525	246,388
2001-03 Maintenance Level	58,029	200,265	258,294
Policy Changes:			
1. General Inflation	-99	-458	-557
2. Attorney General Support	130	410	540
3. Forest Nursery Investments	0	350	350
4. Stabilize Fire Protection Funding	4,400	-4,400	0
5. Stabilize Fire Protection - Fees *	0	641	641
6. Public Use	375	375	750
7. Salmon Recovery Account Adjustment	0	-3,459	-3,459
8. Trust Land Management Activities	0	4,223	4,223
9. Mgmt Funding for Ag Trust Lands	1,790	0	1,790
10. Trust Land Forest Road Improvements	0	3,800	3,800
11. Forest and Fish Implementation	2,500	3,525	6,025
12. Surface Mine Reclamation Program	0	828	828
13. Dredged Material Management	0	266	266
14. Aquatic Lands Asset Management	0	1,000	1,000
15. Cherry Point Ecological Evaluation	0	300	300
16. Implementing Legislative Fire Study	5,400	0	5,400
17. Continued Control of Spruce Budworm	0	246	246
18. Sustain Natural Areas Stewardship	550	550	1,100
19. Forest Legacy Support	300	0	300
20. Outdoor Burning Program Reduction	0	-157	-157
21. Program/Administration Efficiencies	-400	0	-400
22. Off Road Vehicle Program Reduction	0	-164	-164
23. Management of Marine Reserves	0	100	100
24. Lake Whatcom Roads Decommissioning	0	2,000	2,000
Total Policy Changes	14,946	9,976	24,922
Total 2001-03 Biennium	72,975	210,241	283,216

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

2. Attorney General Support - Funding is provided to support increased legal services from the Office of the Attorney General relating to upland and aquatic property issues including trespass, rights of way applications, real property transactions, implementing the incidental take permit and assistance with pending forest practice litigation. (General Fund-State, various other funds)

3. Forest Nursery Investments - One-time funding is provided for forest nursery investments to maintain the reforestation information management system, construct an additional greenhouse to culture nursery stock, and to convert water cooled compressors to air cooled compressors. (State Forest Nursery Revolving Account)

4. Stabilize Fire Protection Funding - Funding is provided to offset insufficient revenues to the Forest Fire Protection Assessment Account to cover on-going fire prevention activities in the 2001-03 biennium. The General Fund-State account will be used to help offset the shortfall. (General Fund-State, Forest Fire Protection Assessment Account-Nonappropriated)

2001-03 Omnibus Operating Budget
Department of Natural Resources

- 5. Stabilize Fire Protection - Fees *** - Funding is provided to implement Substitute House Bill 2104 (forest fire protection). Landowners are currently assessed a fee to pay for fire protection from the Department of Natural Resources, and the bill increases assessments from \$0.22 cents to \$0.25 cents per acre. Funding is provided to develop and administer a data base to calculate the assessments for owners of multiple parcels thereby reducing refunds. Additional expenditures for the fire protection assessment of trust land are authorized. (Forest Fire Protection Assessment Account-Nonappropriated, Forest Development Account, Resource Management Cost Account)
- 6. Public Use** - Funding is provided for maintenance of state lands open to public use. (Aquatic Lands Enhancement Account)
- 7. Salmon Recovery Account Adjustment** - Funding is removed for activities supported by the Salmon Recovery Account funded in the 1999-01 biennium from one-time revenue sources. (Salmon Recovery Account)
- 8. Trust Land Management Activities** - Funding is provided for enhanced silviculture activities, improvements to the product sales system and additional timber sales staff. (Forest Development Account, Resource Management Cost Account)
- 9. Mgmt Funding for Ag Trust Lands** - Funding is provided for management expenses for agricultural trust lands. General Fund-State funds are appropriated to the Agricultural College Trust Management fund to manage approximately 70,700 acres of Washington State University's Agricultural College Trust Lands. (General Fund-State)
- 10. Trust Land Forest Road Improvements** - Funding is provided to inventory state forest roads within five years and upgrade road systems in fifteen years to meet the requirements of the new forest and fish agreement. The work will include the evaluation, survey, and mapping of forest roads as well as improvements or abandonment of these roads. (Access Road Revolving Account, Forest Development Account)
- 11. Forest and Fish Implementation** - Funding is provided to continue implementation of the forests and fish agreement. Specific work will include forest practices rule enforcement, completion of a ten county small forest landowner data system, a road maintenance and abandonment plan and desired future condition data systems, and cultural resources protection. (General Fund-State, Salmon Recovery Account, Water Quality Account)
- 12. Surface Mine Reclamation Program** - Funding is provided to implement Substitute House Bill 1845 (surface mine reclamation fees). Increased funding will be used to provide technical assistance to surface mine operators. (Surface Mine Reclamation Account)
- 13. Dredged Material Management** - Funding is provided for managing dredged material disposal sites on state owned aquatic lands. The Department plans to increase disposal monitoring to address the construction of a new shipping terminal in Pierce County and new requirements under the federal Endangered Species Act. (Aquatic Lands Dredged Material Disposal Site)
- 14. Aquatic Lands Asset Management** - Funding is provided to improve management of state owned aquatic lands (SOAL). The Department will streamline the use authorization process for businesses operating on SOAL and issue decisions on 325 pending lease applications by June 30, 2002. The Department, in consultation with the Attorney General, shall develop a strategic program to resolve claims related to contaminated sediments on SOAL. (Resource Management Cost Account, Aquatic Lands Enhancement Account)
- 15. Cherry Point Ecological Evaluation** - Funding is provided to evaluate the Cherry Point herring stock and marine ecosystem. Results of these evaluations will provide the scientific basis to make management decisions concerning aquatic use requests. (Resource Management Cost Account)
- 16. Implementing Legislative Fire Study** - Funding is provided to implement provisions of a 1997 review of the Department of Natural Resources' fire program. Additional staff and equipment are provided to fully support 113 firefighter engines. (General Fund-State)
- 17. Continued Control of Spruce Budworm** - Funding is provided to control the Spruce budworm on federally granted trust lands. (Resource Management Cost Account)
- 18. Sustain Natural Areas Stewardship** - Funding is provided to continue an enhancement in the 1999-01 biennium for operating and maintenance of state natural areas. Funding will continue education programs at Lake Louise, Chehalis River Surge Plain, Mima Mounds, Mount Si, and Tiger Mountain natural areas, regional volunteer programs, and regional weed teams. (Aquatic Lands Enhancement Account)

2001-03 Omnibus Operating Budget
Department of Natural ResourcesWednesday, June 20, 2001
4:31 pm

19. Forest Legacy Support - Funding is provided to support administrative costs of the Forest Legacy Program. New federal requirements will no longer allow federal funds to be used to support the cost of program administration. (General Fund-State)

20. Outdoor Burning Program Reduction - Funding is decreased for the outdoor burning program due to a projected revenue decrease and reallocation of administration costs. The Department will make the following changes to the program: 1) increase the minimum size fire that requires smoke management approval from 100 tons to 500 tons of fuel; and 2) increase the minimum fire size that requires a permit from 10' x 10' to 20' x 20'. (Air Pollution Control Account)

21. Program/Administration Efficiencies - Funding is reduced for General Fund-State supported programs and administration. In implementing this reduction, the Department shall not reduce expenditures authorized in the 2001-03 biennium for fire protection, fire suppression, natural areas management or forest practices activities.

22. Off Road Vehicle Program Reduction - Due to a projected revenue decrease and increased operating costs, the Department anticipates closing approximately 11 campground sites where off road vehicle use occurs. (Off Road Vehicle Account)

23. Management of Marine Reserves - Funding is provided for development and initial implementation of a statewide management plan for marine reserves. (Aquatic Lands Enhancement Account)

24. Lake Whatcom Roads Decommissioning - Funding is provided to decommission, maintain and repair roads in the Lake Whatcom watershed. (Forest Development Account)

2001-03 Omnibus Operating Budget
Department of Agriculture
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	15,932	66,177	82,109
2001-03 Carryforward Level	15,499	68,512	84,011
2001-03 Maintenance Level	15,443	68,648	84,091
Policy Changes:			
1. General Inflation	-104	-269	-373
2. Salmon Recovery Pesticide Strategy	0	1,130	1,130
3. Agricultural Marketing	700	700	1,400
4. Abandoned Orchards	0	900	900
5. Information Technology Coordinator	0	134	134
6. Spartina Eradication	0	1,480	1,480
7. Small Farm Direct Marketing	150	150	300
Total Policy Changes	746	4,225	4,971
Total 2001-03 Biennium	16,189	72,873	89,062

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

2. Salmon Recovery Pesticide Strategy - Funding is provided to establish a program to monitor pesticides in surface water, evaluate pesticide exposure on Endangered Species Act (ESA) listed salmon, and implement actions needed to protect salmon. This analysis and implementation will support the state and Environmental Protection Agency's inclusion in future ESA 4(d) rule exceptions related to pesticide use and application practices. (Agriculture Local Nonappropriated Account, State Toxics Control Account)

3. Agricultural Marketing - Funding is provided to implement Substitute House Bill 1891 (marketing of agriculture). State funds will be matched with agriculture industry funds to promote Washington agricultural products and address trade barriers. (General Fund-State, Private Fund-Local)

4. Abandoned Orchards - Funding is provided to reimburse county horticultural pest and disease boards for the cost of pest control activities, including tree removal on abandoned orchards. (State Toxics Control Account)

5. Information Technology Coordinator - Funding is provided for digital government efforts including coordination of on-line information and web-based services. (Agricultural Local Account-Nonappropriated)

6. Spartina Eradication - Funding is provided to initiate a four year plan to eradicate infestations of Spartina in Puget Sound, Hood Canal and Grays Harbor and begins the reduction in Spartina infestations in Willapa Bay, eradicating 25 percent of the 4,000-plus acres of Spartina in Willapa Bay in the first two years. (Aquatic Lands Enhancement Account-State)

7. Small Farm Direct Marketing - A small farm and direct marketing program is established to support small farms in complying with federal, state, and local regulations, facilitating access to food processing centers and assisting with grant funding requests. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Washington State Patrol
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	44,340	35,983	80,323
2001-03 Carryforward Level	44,687	33,469	78,156
2001-03 Maintenance Level	45,075	35,113	80,188
Policy Changes:			
1. General Inflation	-385	-247	-632
2. Fund GF-S with other funds	-2,100	2,100	0
3. Regional Methamphetamine Program	0	1,419	1,419
4. Crime Intelligence Index	0	328	328
5. Transfer Activities to Transpo	-12,634	0	-12,634
6. DNA Testing #	0	100	100
7. Spokane Toxicology Lab Services	0	553	553
8. Offender Information System Support	0	607	607
Total Policy Changes	-15,119	4,860	-10,259
Total 2001-03 Biennium	29,956	39,973	69,929

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)

2. Fund GF-S with other funds - Funding is provided from the Public Safety and Education Account in place of General Fund-State. The Public Safety and Education Account has sufficient funds available to finance some of the State Patrol's activities that were previously funded with General Fund-State. (General Fund-State, Public Safety and Education Account-State)

3. Regional Methamphetamine Program - As part of a state-wide methamphetamine initiative, funding is provided for the following three activities designed to enhance the ability of local governments to respond to methamphetamine issues: (1) the establishment of a regional methamphetamine enforcement, training and education program; (2) additional officers for the statewide meth lab response team; and (3) two forensic scientists with the necessary equipment to perform lab analysis in the crime laboratory division. (Public Safety and Education Account-State)

4. Crime Intelligence Index - One-time funding is provided to establish a state criminal intelligence index. This index will utilize the existing nation-wide Regional Information Sharing System Network (RISS.net), and will provide 24-hour access to intelligence information for all criminal justice agencies. (Public Safety and Education Account-State)

5. Transfer Activities to Transpo - In the 1998 session, certain activities and portions of programs within the Washington State Patrol were transferred to the omnibus operating budget from the transportation budget. Beginning in fiscal year 2003, these activities are transferred back to the transportation budget.

6. DNA Testing # - Funding is provided for the implementation of Substitute Senate Bill 5896 (DNA testing of evidence), which allows any convicted felon, currently incarcerated, to request post-conviction DNA testing. If the request is approved by the local prosecutor or the Attorney General's office, the State Patrol crime labs would conduct the DNA testing and analysis. (Public Safety and Education Account)

7. Spokane Toxicology Lab Services - Funding is provided for two forensic scientist positions and associated scientific equipment to enhance toxicology services to eastern Washington. About 25 percent of toxicology casework and court testimony originates in eastern Washington. The State Patrol will house these additional forensic scientists in the Seattle crime lab until a new Spokane crime and toxicology laboratory is constructed in the 2003-05 biennium. (Death Investigations Account-State)

2001-03 Omnibus Operating Budget
Washington State Patrol

Wednesday, June 20, 2001
4:31 pm

8. Offender Information System Support - Funding is providing for on-going staff support for the Washington State Identification System, the Washington Crime Information Center and the Sex Offender Registry systems, which have been integrated into a single system known as "W2" that allows criminal justice and other users to get information concerning an offender from one place at any time. (Public Safety and Education Account-State)

2001-03 Omnibus Operating Budget
Department of Licensing
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	10,933	23,548	34,481
2001-03 Carryforward Level	10,201	23,216	33,417
2001-03 Maintenance Level	10,561	23,249	33,810
Policy Changes:			
1. Expanded Internet Services	0	130	130
2. Equipment Replacement	0	13	13
3. Internet Payment Option	0	621	621
4. General Inflation	-27	-41	-68
5. Private Investigator Exam	125	0	125
6. Security Guard Adjudicative Process	107	0	107
7. Adjust Real Estate Account	0	-333	-333
8. Implement Technology Strategies	0	124	124
9. Technology Security Enhancements	0	36	36
Total Policy Changes	205	550	755
Total 2001-03 Biennium	10,766	23,799	34,565

Comments:

1. Expanded Internet Services - Funding is provided to offer services over the Internet, however, only services to be provided by the Business and Professions Division are included in the omnibus operating budget. Costs associated with services to be provided by the Vehicle Division and Driver Services Division are reflected in the transportation budget. The Business and Professions Division will use funding to provide electronic license renewals for engineers, cosmetologists, geologists, and plant nurseries. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (Professional Engineers Account, Master License Account, Geologists' Account, Data Processing Revolving Account)

2. Equipment Replacement - A regular three-year information technology equipment replacement program is established for the Management and Support Services and Business and Professions Divisions. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (Architects' License Account, Professional Engineers' Account, Real Estate Commission Account, Master License Account)

3. Internet Payment Option - Ongoing operational costs and FTE staff positions are provided for the Department of Licensing (DOL) to continue offering Master License Service business license renewals over the Internet. DOL customers will be able to make their payments using a credit card. (Master License Account)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)

5. Private Investigator Exam - Funding is provided for costs associated with a half-time management analyst position and contracted psychometrician services to allow the Private Investigator (PI) program to review and revise tests to meet statutory requirements. Tests are to be conducted to determine minimum knowledge required to open a private investigator company or to act as a certified trainer for investigation companies.

6. Security Guard Adjudicative Process - Funding is provided for the costs associated with conducting adjudicative proceedings in the Security Guard licensing program. Additionally, funding is also provided to Security Guard companies for training on preventive measures to mitigate the number of applications that require adjudicative proceedings.

7. Adjust Real Estate Account - Appropriation authority is reduced to match adjusted expenditures and revenues for the Real Estate Education Account. (Real Estate Education Account-State)

**2001-03 Omnibus Operating Budget
Department of Licensing**Wednesday, June 20, 2001
4:31 pm

8. Implement Technology Strategies - Funding is provided to convert existing legacy computer applications (circa 1970) to newer, server-based technology. Training and additional staff to facilitate the conversion and software tools are also funded. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (Architects' License Account, Cemetery Account, Professional Engineers' Account, Real Estate Commission Account, Master License Account, Uniform Commercial Code Account, Funeral Director and Embalmers' Account)

9. Technology Security Enhancements - Funding is provided for an outside consulting firm to perform an agency-wide information technology risk assessment and vulnerability analysis. This assessment will become the foundation for an on-going security program and business resumption plans. The general fund portion of this project may seek one-time funding from the combined technology pool appropriated separately. (Architects' License Account, Professional Engineers' Account, Real Estate Commission Account, Master License Account, Uniform Commercial Code Account, Funeral Directors and Embalmers Account)

2001-03 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	85,345	84,947	170,292
2001-03 Carryforward Level	64,819	85,088	149,907
2001-03 Maintenance Level	59,210	114,457	173,667
Policy Changes:			
1. Information Tech Workforce Training	-3,600	0	-3,600
2. State Office Admin Reductions	-680	0	-680
3. Alternative Certification Routes #	2,000	0	2,000
4. Anti-Bullying/Harrassment Training	500	0	500
5. Advanced Placement Opportunities	0	860	860
6. LASER Science Program	1,729	0	1,729
7. OSPI Information Systems	700	0	700
8. School Safety Allocation	6,147	0	6,147
9. School Safety Office	200	0	200
10. Federal Funds Update	0	112,808	112,808
11. Geographic Alliance	-100	0	-100
12. Magnet Schools	-1,600	0	-1,600
13. Federal Reading Excellence Grant	0	9,900	9,900
14. Statewide Programs Reduction	-3,818	0	-3,818
15. Certificate of Mastery Development	100	0	100
16. Non-Violence Leadership Training	300	0	300
17. School Safety Training	216	0	216
Total Policy Changes	2,094	123,568	125,662
Total 2001-03 Biennium	61,304	238,025	299,329

Comments:

1. Information Tech Workforce Training - Funding is eliminated for information technology workforce training grants. This program was started by the 1999 Legislature to prepare students to achieve information technology skill certifications. School districts receiving the grants used them to acquire computer software and hardware, to improve internet access and for staff training.

2. State Office Admin Reductions - The administration budget of the Office of the Superintendent of Public Instruction is reduced by three percent.

3. Alternative Certification Routes # - Funding is provided for the partnership grant program and the alternative route conditional scholarship program established by Chapter 158, Laws of 2001 (alternative teacher certification). The partnership grants and the scholarships support the three alternative routes to teacher certification. The first route is for classified school district employees with associate degrees; the second route is for classified school district employees with baccalaureate degrees; and the third route is for individuals with baccalaureate degrees who are not employed by a school district or who hold emergency substitute certificates, who have five years' experience in the workforce.

4. Anti-Bullying/Harrassment Training - Funds are provided for anti-bullying/harassment training. The Office of the Superintendent of Public Instruction is to create a model policy that school districts can use as a guide for training programs.

5. Advanced Placement Opportunities - Additional federal funding for the Advanced Placement Fee Program will increase enrollment of low-income individuals in advanced placement (AP) courses and increase the availability of these courses in schools serving high poverty areas. In addition, the expanded grant will focus on removing obstacles to AP participation at three pilot sites serving remote schools or high poverty areas. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs

6. LASER Science Program - Funds are provided for the LASER Science Program. Under the program, the Superintendent of Public Instruction will contract with the Pacific Science Center for a statewide program coordinator and the initial purchase of science kits for districts that participate in the LASER program. Districts participating in the LASER program write a five-year strategic plan for implementing a science education program for grades K-8 and provide professional development for teachers and administrators.

7. OSPI Information Systems - Funding is provided for information systems in the the Office of the Superintendent of Public Instruction. Priority will be given to upgrading the general apportionment system and continuing work on the student information system.

8. School Safety Allocation - Funds are provided for an allocation to school districts of \$6.36 per full-time equivalent student per year for school safety purposes. The funds must be expended in accordance with the provisions of either House Bill 1818 or Senate Bill 5543 (student safety). If neither bill is enacted, school districts are encouraged to use the funds for school based comprehensive safe school plans and to implement the components of the plans, including early prevention and intervention programs, school security monitors, training for staff, equipment and other purposes identified in the safe school plans.

9. School Safety Office - Funds are provided to create a school safety center located in the Office of the Superintendent of Public Instruction. The main functions of the safety office are to disseminate successful models of school safety plans and to provide assistance to schools for establishing a comprehensive safe school plan.

10. Federal Funds Update - Expected expenditures from federal funds are updated based on revised estimates provided by the Office of the Superintendent of Public instruction in March 2001. (General Fund-Federal)

11. Geographic Alliance - State funding for the geographic alliance is eliminated. The purpose of the program was to train K-12 teachers to improve the teaching of geography in schools.

12. Magnet Schools - Funding for the magnet school program is eliminated. The purpose of this program was to provide funds to certain school districts with large minority populations to establish magnet programs to encourage racial integration of schools through voluntary student transfers.

13. Federal Reading Excellence Grant - In 2000, Washington was awarded a Reading Excellence grant through the United States Department of Education. The grant initiated the Washington Reads project, which uses scientifically based reading research to enhance high quality reading instruction and school programs. The program is established in 30 demonstration schools. (General Fund-Federal)

14. Statewide Programs Reduction - The allocation for statewide programs is reduced by \$3.8 million. Statewide programs includes a number of health and safety, technology and grant and allocation programs totalling \$40.5 million.

15. Certificate of Mastery Development - Funds are provided to the State Board of Education for a study of the certificate of mastery based on other state's experience with similar requirements.

16. Non-Violence Leadership Training - Funds are provided for a non-violence leadership training program provided by the Institute for Community Leadership headquartered in Seattle. The program consists of school based workshops using the literary process of reading, writing, listening and public speaking skills to expand one's character and ability to impact change in society. The funds are expected to provide up to 80 percent funding for workshops serving 12 school districts and 36 schools.

17. School Safety Training - Funds are provided to implement school safety training program for school administrators and school safety personnel provided by the Criminal Justice Training Commission.

2001-03 Omnibus Operating Budget
Public Schools
General Apportionment
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	6,987,997	0	6,987,997
2001-03 Carryforward Level	7,583,531	0	7,583,531
2001-03 Maintenance Level	7,547,634	0	7,547,634
Policy Changes:			
1. Pension Changes	-116,913	0	-116,913
2. Audit Team Savings	-1,000	0	-1,000
3. K-4 Class Size/Extended Learning	82,455	0	82,455
Total Policy Changes	-35,458	0	-35,458
Total 2001-03 Biennium	7,512,176	0	7,512,176

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2. Audit Team Savings - The budget continues funding for nine auditors in the State Auditor's office to conduct special K-12 audits. These auditors are expected to generate \$1.0 million in savings in this program over the biennium.

3. K-4 Class Size/Extended Learning - Funds are provided to continue the Better Schools class-size and extended learning component. The program is continued through the apportionment program and this transfer consolidates multiple funding sources for grades K-4 staffing allocations into one program. This component provides an additional 2.2 certificated instructional staff per 1000 full-time equivalent K-4 students for class size reduction and extended learning purposes in grades K-4. The additional staff are not considered part of the state's basic education allocation.

2001-03 Omnibus Operating Budget
Public Schools
Pupil Transportation
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	362,265	0	362,265
2001-03 Carryforward Level	380,591	0	380,591
2001-03 Maintenance Level	390,071	0	390,071
Policy Changes:			
1. Pension Changes	-2,580	0	-2,580
Total Policy Changes	-2,580	0	-2,580
Total 2001-03 Biennium	387,491	0	387,491

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
School Food Services
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	6,200	291,761	297,961
2001-03 Carryforward Level	6,200	291,761	297,961
2001-03 Maintenance Level	6,200	283,187	289,387
Policy Changes:			
1. Federal Funds Update	0	7,000	7,000
Total Policy Changes	0	7,000	7,000
Total 2001-03 Biennium	6,200	290,187	296,387

Comments:

1. Federal Funds Update - Expenditures from federal funds for school breakfast and lunch programs are updated. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Public Schools
Special Education
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	772,493	171,667	944,160
2001-03 Carryforward Level	838,137	171,667	1,009,804
2001-03 Maintenance Level	851,111	178,685	1,029,796
Policy Changes:			
1. Federal Funds Update	0	77,407	77,407
2. Pension Changes	-12,859	0	-12,859
3. Audit Team Savings	-1,000	0	-1,000
4. Special Ed Enrollment Maximum	2,656	0	2,656
Total Policy Changes	-11,203	77,407	66,204
Total 2001-03 Biennium	839,908	256,092	1,096,000

Comments:

1. Federal Funds Update - Expected expenditures from federal funds are updated based on revised estimates provided by the Office of the Superintendent of Public instruction in March 2001. (General Fund-Federal)

2. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establishes the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

3. Audit Team Savings - Funding is continued for nine auditors in the State Auditor's office to conduct special K-12 audits. These auditors are expected to generate \$1.0 million in savings in this program.

4. Special Ed Enrollment Maximum - Beginning with the 2002-03 school year, \$4.1 million is provided to increase the percentage of a school district's full time equivalent enrollment funded as special education from the current maximum of 12.7 percent to 13.0 percent. The General Fund-State safety net is adjusted downward by \$1.4 million since school districts with special education enrollments in excess of 12.7 percent will not need as much safety net funding as a result of the maximum percent increase.

Language is placed in the budget concerning the definition of special education excess costs requiring the Superintendent of Public Instruction to change the personnel reporting system to reflect that special education students are basic education students first and as a class are entitled to the full basic education allocation and that they are basic education students for the entire school day.

Language is placed in the budget concerning the definition of special education excess costs requiring the superintendent of public instruction to change the personnel reporting system to reflect that: special education students are basic education students first and as a class are entitled to the full basic education allocation; and that they are basic education students for the entire school day.

2001-03 Omnibus Operating Budget
Public Schools
Traffic Safety Education
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	15,509	0	15,509
2001-03 Carryforward Level	15,534	0	15,534
2001-03 Maintenance Level	14,266	0	14,266
Policy Changes:			
1. Traffic Safety Ed. Allocation	-8,083	0	-8,083
Total Policy Changes	-8,083	0	-8,083
Total 2001-03 Biennium	6,183	0	6,183

Comments:

1. Traffic Safety Ed. Allocation - The state subsidy of \$137 per student for the driver education program is eliminated beginning with the 2001-02 school year. The subsidy of \$203.97 is continued for driver education students eligible for free and reduced price lunch.

2001-03 Omnibus Operating Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	9,067	0	9,067
2001-03 Carryforward Level	9,782	0	9,782
2001-03 Maintenance Level	9,682	0	9,682
Policy Changes:			
1. Pension Changes	-146	0	-146
Total Policy Changes	-146	0	-146
Total 2001-03 Biennium	9,536	0	9,536

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
Levy Equalization
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	224,677	0	224,677
2001-03 Carryforward Level	253,500	0	253,500
2001-03 Maintenance Level	284,644	0	284,644
Total 2001-03 Biennium	284,644	0	284,644

Comments:

2001-03 Omnibus Operating Budget
Public Schools
Elementary/Secondary School Improv
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	285,193	285,193
2001-03 Carryforward Level	0	285,193	285,193
2001-03 Maintenance Level	0	283,182	283,182
Policy Changes:			
1. Federal Funds Update	0	4,984	4,984
Total Policy Changes	0	4,984	4,984
Total 2001-03 Biennium	0	288,166	288,166

Comments:

1. Federal Funds Update - Expected expenditures from federal funds are updated based on revised estimates provided by the Office of the Superintendent of Public instruction in March 2001. (General Fund-Federal)

2001-03 Omnibus Operating Budget
Public Schools
Institutional Education
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	38,765	8,548	47,313
2001-03 Carryforward Level	43,099	8,548	51,647
2001-03 Maintenance Level	38,888	8,548	47,436
Policy Changes:			
1. Pension Changes	-640	0	-640
Total Policy Changes	-640	0	-640
Total 2001-03 Biennium	38,248	8,548	46,796

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
Ed of Highly Capable Students
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	12,269	0	12,269
2001-03 Carryforward Level	13,203	0	13,203
2001-03 Maintenance Level	13,030	0	13,030
Policy Changes:			
1. Pension Changes	-190	0	-190
Total Policy Changes	-190	0	-190
Total 2001-03 Biennium	12,840	0	12,840

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
Student Achievement Program
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	0	0
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	0	0	0
Policy Changes:			
1. Increasing Student Achievement	0	393,300	393,300
Total Policy Changes	0	393,300	393,300
Total 2001-03 Biennium	0	393,300	393,300

Comments:

1. Increasing Student Achievement - Initiative 728 requires the lottery revenues, a portion of state property taxes with established dollar per student amounts, and any funds accumulated in the state's Emergency Reserve Fund in excess of five percent of annual General Fund revenues to be deposited into the newly created Student Achievement Fund and the Education Construction Account.

This budget appropriates \$393.3 million of student achievement fund moneys to be distributed to school districts at a rate of \$193.92 per full time equivalent (FTE) student for the 2001-02 school year and \$220.59 per FTE student for the 2002-03 school year. The permissible uses of this money are as follows: smaller classes in grades K-4; smaller classes for certain grade 5-12 classes; extended learning opportunities in grades K-12; professional development for educators; early childhood programs; and building improvements or additions to support class size reductions or extended learning programs. (Student Achievement Fund)

In addition, \$76.7 million of education construction account moneys are appropriated in the capital budget for common school construction.

2001-03 Omnibus Operating Budget
Public Schools
Education Reform
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	69,534	233	69,767
2001-03 Carryforward Level	70,583	233	70,816
2001-03 Maintenance Level	62,090	233	62,323
Policy Changes:			
1. Scoring of 10th Grade Writing WASL	209	0	209
2. Change Assessment Timeline #	-2,301	0	-2,301
3. Reading Corps	7,759	0	7,759
4. Recognizing Successful Schools	100	0	100
5. Expand Math Helping Corps	1,656	0	1,656
6. Focused Assistance to Schools	2,800	0	2,800
7. Principal Leadership Development	1,000	0	1,000
8. Mentor/Beginning Teacher Asst.	2,500	0	2,500
9. State Leadership for Sch Improvemen	768	0	768
10. Performance Improvement Goals	100	0	100
11. Web-Based Instructional Network	260	0	260
12. Return Writing WASL#	93	0	93
13. National Teacher Certif Bonus	241	0	241
14. Discontinue CISL	-1,260	0	-1,260
15. WASL Adjustments	-4,000	3,000	-1,000
16. Transfer CISL Staff	230	0	230
Total Policy Changes	10,155	3,000	13,155
Total 2001-03 Biennium	72,245	3,233	75,478

Comments:

1. Scoring of 10th Grade Writing WASL - Funds are provided to perform double scoring on all the tenth grade writing tests for the Washington Assessment of Student Learning (WASL) to increase the accuracy and validity of individual student test scores. In the past, only a sample percentage of the writing tests were double-scored.

2. Change Assessment Timeline # - Senate Bill 5686 (changing academic assessment timelines) delays the timelines for development of the Washington Assessment of Student Learning (WASL) tests for social studies, arts, and health and fitness by two years. The delay reduces the amount necessary for WASL test development in the 2001-03 biennium.

3. Reading Corps - Funds are provided for Reading Corps grants for schools in which significant numbers of students in grades K-6 do not perform well on reading assessments. The reading programs may be provided before, during or after the school day, and on Saturdays, summer, intercessions or other vacation periods. The grants are to be used for proven, research-based programs provided by mentors or tutors and must include pre- and post- testing to determine the effectiveness of the programs.

4. Recognizing Successful Schools - Funding is provided to purchase plaques to recognize schools that successfully met the fourth grade reading improvement goal established by each local school board.

5. Expand Math Helping Corps - Funding is provided to expand the Math Helping Corps from \$2 million to \$3.7 million. Preliminary evidence shows a dramatic improvement in the number of students meeting math standards in the initial 13 schools provided with assistance through the Math Helping Corps in the 1999-00 school year. Under the program, exemplary teachers are assigned to help schools identify barriers to student learning and develop and implement an action plan for improving learning. The funding level provided will allow about 32 schools to be provided with expert math teachers each year.

2001-03 Omnibus Operating Budget
Public Schools
Education Reform

6. Focused Assistance to Schools - Funding is provided to the Office of the Superintendent of Public Instruction to conduct educational audits of low performing schools and to enter into performance agreements to implement the recommendations of the audit. Each educational audit will include recommendations for best practices and ways to address identified needs.

7. Principal Leadership Development - Funding is provided to expand the Principal Leadership Development Program. Principals participating in the program will establish a growth plan in coordination with an assigned mentor who will monitor and assist the principal in achieving the desired professional growth.

8. Mentor/Beginning Teacher Asst. - Funding for the teacher assistance program is increased from \$3.4 million per year to \$4.7 million per year. Of the amounts provided, \$200,000 each year may be used for a mentor teacher academy. The funds are allocated for eligible peer mentor programs in school districts based on the number of beginning teachers in each district.

9. State Leadership for Sch Improvemen - Funding and staff previously allocated to the Center for the Improvement of Student Learning are redirected for the Superintendent to assist schools in implementing high academic standards, aligning curriculum with these standards, and training teachers to use assessments to improve student learning. Funds may also be used to increase community and parental awareness of education reform.

10. Performance Improvement Goals - Funding is provided for grants to school districts to adopt or revise district-wide and school-level plans to achieve performance improvement goals and to post a summary of the plans on district websites using a common format provided by the Office of the Superintendent of Public Instruction.

11. Web-Based Instructional Network - Funding is provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers in implementing higher academic standards.

12. Return Writing WASL# - Funding is provided to make the scored writing portion of the Washington Assessment of Student Learning available to schools, students, and parents. Each school will also make available information on the criteria used to determine writing scores.

13. National Teacher Certif Bonus - Funds are provided to increase the length of the national teacher certification bonus from two to three years.

14. Discontinue CISL - Funding is eliminated for the Center for the Improvement of Student Learning (CISL) located in the Office of the Superintendent of Public Instruction. The purpose of the center was to serve as a clearinghouse for information regarding educational improvement and parental involvement programs.

15. WASL Adjustments - Funding for the Washington Assessment of Student Learning (WASL) is adjusted based on the following savings: \$285,000 from reducing the number of advisory committee members used to develop the WASLs; \$300,000 from separating the question and answer booklets which reduces scoring costs; \$415,000 in efficiency savings and other adjustments; and availability and utilization of at least \$1.0 million of federal funds in fiscal year 2002 and at least \$2.0 million in fiscal year 2003. Including state and federal funds, the change in assessment timelines and double scoring, this budget increases WASL funding from \$19.9 million to \$25.1 million for the 2001-03 biennium. (General Fund-State, General Fund-Federal)

16. Transfer CISL Staff - Staff (1.3 FTE) and funding (\$230,000) previously allocated to the Center for the Improvement of Student Learning are transferred to help fund the development of the Washington Assessment of Student Learning (WASL).

2001-03 Omnibus Operating Budget
Public Schools
Transitional Bilingual Instruction
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	73,481	0	73,481
2001-03 Carryforward Level	84,236	0	84,236
2001-03 Maintenance Level	89,839	0	89,839
Policy Changes:			
1. Bilingual Tracking (HB 2025)	70	0	70
2. Pension Changes	-1,694	0	-1,694
Total Policy Changes	-1,624	0	-1,624
Total 2001-03 Biennium	88,215	0	88,215

Comments:

1. Bilingual Tracking (HB 2025) - Additional funding is provided to the Office of the Superintendent of Public Instruction (OSPI) to contract for tracking the English and academic proficiency of students who are or were in the transitional bilingual program. The purpose of the evaluation and tracking system is to provide information on the effectiveness of transitional bilingual programs in teaching English and other content areas, such as mathematics and writing. In addition, OSPI may withhold up to \$563,000 of the biennial transitional bilingual allocation to school districts by adjusting the per pupil funding rate in order to pay for centralized purchasing and scoring of bilingual assessments. Currently, each school district purchases and pays for the administration and scoring of these assessments.

2. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
Learning Assistance Program (LAP)
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	138,406	0	138,406
2001-03 Carryforward Level	151,043	0	151,043
2001-03 Maintenance Level	141,235	0	141,235
Policy Changes:			
1. Pension Changes	-1,825	0	-1,825
Total Policy Changes	-1,825	0	-1,825
Total 2001-03 Biennium	139,410	0	139,410

Comments:

1. Pension Changes - The employer contribution rates for the Public Employees Retirement System (PERS) and the School Employees Retirement System are reduced from 3.21 percent to 1.54 percent effective July 1, 2001. The employer contribution rate for the Teachers Retirement System (TRS) is reduced from 5.38 percent to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or SB 6167 (state retirement systems), which increase the long-term actuarial assumptions for future wage growth and investment returns, and re-establish the June 30, 2024, deadline for funding all of the liabilities of PERS Plan 1 and TRS Plan 1.

2001-03 Omnibus Operating Budget
Public Schools
Block Grants
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	60,296	0	60,296
2001-03 Carryforward Level	54,601	0	54,601
2001-03 Maintenance Level	54,666	0	54,666
Policy Changes:			
1. Block Grant Reduction	-17,635	0	-17,635
Total Policy Changes	-17,635	0	-17,635
Total 2001-03 Biennium	37,031	0	37,031

Comments:

1. Block Grant Reduction - The allocation in the Block Grant Program is reduced from \$28.81 per K-12 student to \$18.48 per student. Block grant funds are discretionary funds that can be used by school districts for any educational purpose.

2001-03 Omnibus Operating Budget
Public Schools
Better Schools Program
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	57,500	0	57,500
2001-03 Carryforward Level	133,653	0	133,653
2001-03 Maintenance Level	131,629	0	131,629
Policy Changes:			
1. Redirect Better Schools Program	-82,455	0	-82,455
2. Better Schools Staff Development	-40,178	0	-40,178
Total Policy Changes	-122,633	0	-122,633
Total 2001-03 Biennium	8,996	0	8,996

Comments:

1. Redirect Better Schools Program - The class size reduction portion of the Better Schools Program is transferred to the Apportionment Program.

2. Better Schools Staff Development - Funding for the Better Schools Program staff development portion created by the 2000 Legislature is not continued.

2001-03 Omnibus Operating Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	530,327	0	530,327
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	324,819	0	324,819
Policy Changes:			
1. Health Benefit Adj	80,635	0	80,635
2. Redirect Better Schools Program	-3,280	0	-3,280
3. Pension Changes	-7,017	0	-7,017
4. K-4 Class Size/Extended Learning	3,283	0	3,283
5. Special Ed Enrollment Maximum	219	0	219
Total Policy Changes	73,840	0	73,840
Total 2001-03 Biennium	398,659	0	398,659

Comments:

1. Health Benefit Adj - Funds are provided to increase the monthly health benefit allocation per K-12 state-funded full-time equivalent employee from \$425.89 to \$455.27 in the 2001-02 school year and \$493.59 in the 2002-03 school year. This change in rates is consistent with increases provided to state employees.

2. Redirect Better Schools Program - The Better Schools Program class size reduction component is transferred to the Apportionment Program. As a consequence, salary increase funds are not needed in the Better Schools Program. The salary increase for the transferred funds is shown below in the item labeled K-4 Class Size/Extended Learning.

3. Pension Changes - PERS and TRS employer contribution rates are reduced in accordance with HB 2236. A detailed explanation of this item is provided under agency 713 of this document. The pension rate change reduces the general fund-state amount necessary for the I-732 COLA by almost \$7.0 million.

4. K-4 Class Size/Extended Learning - A portion of the Better Schools Program class size reduction funds were transferred to the Apportionment Program. The \$1.9 million reflects the amount necessary to provide cost-of-living adjustments for this item.

5. Special Ed Enrollment Maximum - The change in the maximum enrollment provided in the special education program increases the amount of funds necessary to implement health benefit increases and cost-of-living adjustments.

Initiative 732 Salary Increases: \$318.4 million is provided for K-12 state-funded staff cost-of-living increases of 3.7 percent for school year 2001-02 and 3.1 percent for school year 2002-03 pursuant to the provisions of Initiative 732. The 2002-03 salary increase will be adjusted in the 2002 supplemental budget, if necessary, to reflect the actual increase in the calendar year 2001 Seattle Consumer Price Index, as required by Initiative 732.

2001-03 Omnibus Operating Budget
Public Schools
Common School Construction
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	113,612	113,612
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	0	0	0
Policy Changes:			
1. Transfer to School Construction	0	191,220	191,220
Total Policy Changes	0	191,220	191,220
Total 2001-03 Biennium	0	191,220	191,220

Comments:

1. Transfer to School Construction - A total of \$36.7 million from the Education Savings Account and \$154.5 million from the Education Construction Account will be deposited into the Common School Construction Account for state matching funds for K-12 school construction projects. (Education Construction Account, Education Savings Account)

2001-03 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	241,029	10,225	251,254
2001-03 Carryforward Level	232,920	14,587	247,507
2001-03 Maintenance Level	233,788	15,089	248,877
Policy Changes:			
1. General Inflation	-35	0	-35
2. Fund for Innovation	-600	0	-600
3. Washington State Work Study	3,000	0	3,000
4. Jefferson County Pilot Project	350	0	350
5. College Assistance Migrant Program	50	0	50
6. State Need Grant Increase	18,880	0	18,880
7. State Need Grant Adjustment	-1,039	0	-1,039
8. Eliminate Educator Excellence Award	-431	0	-431
9. Reprogram Timber Worker Enrollment	-560	0	-560
10. Promise Scholarships	11,200	0	11,200
Total Policy Changes	30,815	0	30,815
Total 2001-03 Biennium	264,603	15,089	279,692

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Fund for Innovation - General Fund constraints do not permit this grant program to be renewed for the 2001-03 biennium.

3. Washington State Work Study - Funding is provided to expand both the opportunity for work study from 9,500 to 10,300 students a year, and to increase the state share of earning levels from an average of \$1,675 to \$1,735 per student.

4. Jefferson County Pilot Project - Funding is provided to continue a demonstration project whose outcomes will clarify necessary elements to increase participation and access to higher education for placebound adult learners living in remote regions miles away from post-secondary institutions. Active educational partners now include the Washington State University Extension Service, Peninsula College, Port Townsend community leaders and business owners. One full-time outreach coordinator is supported by project funds, and next biennium a portion will be applied to establish a distance-learning computer lab in Brinnon in a public school facility.

5. College Assistance Migrant Program - College assistance funds are provided solely for the benefit of migrant and seasonal farmworkers and their children. The Board shall disperse state general funds equally to all federal CAMP programs operating in Washington during the 2001-03 biennium. In order to distribute funds in a timely manner, the Board may establish a date after which no additional grants would be made for the 2001-02 and 2002-03 academic years. College assistance migrant programs supplement traditional financial aid by offering students support during their transition from high school to college and may include one-on-one mentoring for career development.

6. State Need Grant Increase - Funding is provided for new enrollments and to keep pace with tuition increases state universities and colleges may adopt under limits proposed for undergraduate study during the 2001-03 biennium. Additional resources budgeted by the state assumes the effective income cutoff for need grants is 55 percent of the state's median family income. Within available funds the Board may renew need grants for continuing or returning students who qualified at higher income levels during the 1999-2000 and 2000-01 academic years so long as the student is making satisfactory progress towards their degree. Increased appropriations for the program benefits approximately 3,700 more students next biennium.

**2001-03 Omnibus Operating Budget
Higher Education Coordinating Board**Wednesday, June 20, 2001
4:31 pm

7. State Need Grant Adjustment - Brings base funding down to 55 percent median family income, taking into account possible tuition increases at public universities and colleges for the 2001-03 biennium.

8. Eliminate Educator Excellence Award - General Fund constraints result in the elimination of state appropriations for Christa McAuliffe excellence awards. Awards are bestowed by the Office of the Superintendent of Public Instruction (OSPI) to recognize outstanding public educators for their commitment, contributions and leadership. Originally, a tuition grant was provided through the Higher Education Coordinating Board for the teacher's professional development or a school-based improvement. The program changed over time and now those honored receive cash stipends which range from \$1,000 to \$2,500 per recipient. Each year, five teachers and three classified staff from each congressional district, five principals or administrators on a statewide basis, one school district superintendent and one school district board of directors are chosen for recognition. The budget assumes OSPI, through savings incentive credits, internal reallocation or by soliciting a private donor can make it possible for the suspended grants to resume in some future year.

9. Reprogram Timber Worker Enrollment - Program funds previously held for timber workers are redirected for college training programs offered in rural counties and those communities where rapidly rising energy costs have resulted in permanent job dislocation through the State Board for Community and Technical Colleges (also see Agency 699). University level enrollments for timber and other natural resource industry labor are reduced by 50 full time equivalent (FTE) students.

10. Promise Scholarships - Funding is provided to continue the Washington Promise Scholarship Program. The budget provides a total of \$17 million, \$5.8 million of which carries forward in the base to cover the sophomore-year grant to eligible scholars from the Class of 2000. Scholarships may be newly awarded to seniors in the top 15 percent of their respective high school class for 2001 and 2002 (including students who qualify academically on the basis of ACT or SAT scores) and whose families earn no more than 135 percent of the state's median family income. The Board will determine actual annual awards in order to serve the greatest number of qualified students. Cash grants are not to exceed state community college tuition. Promise scholars may apply this award toward expenses to attend any public or private college or university located in Washington.

2001-03 Omnibus Operating Budget
University of Washington
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	652,389	2,060,120	2,712,509
2001-03 Carryforward Level	669,767	2,067,885	2,737,652
2001-03 Maintenance Level	674,309	2,214,996	2,889,305
Policy Changes:			
1. Health Benefit Changes	6,700	78	6,778
2. General Inflation	-4,579	-93	-4,672
3. Faculty and Staff Salary Increase	28,833	298	29,131
4. Enrollment Increase	5,910	2,722	8,632
5. Technology Institute	4,000	0	4,000
6. Pension Savings/Economic Assumption	-2,138	-36	-2,174
7. FICA Savings	-524	-6	-530
8. Survey Cause of Multiple Sclerosis	50	0	50
9. Tuition Rate Increase	0	26,823	26,823
10. Urban Horticulture Center	0	1,103	1,103
11. Advanced Technology Initiative	300	0	300
12. Operating Cost Reductions	-5,773	0	-5,773
Total Policy Changes	32,779	30,889	63,668
Total 2001-03 Biennium	707,088	2,245,885	2,952,973

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes. (General Fund-State, Accident Account, Medical Aid Account, Death Investigations Account)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

4. Enrollment Increase - Funding is provided for 55 new full-time equivalent (FTE) student enrollments in 2001-02 and 106 new FTE student enrollments in 2002-03 at the Seattle campus; 33 new FTE student enrollments in 2001-02 and 66 new FTE student enrollments in 2002-03 at the Bothell branch campus; and 44 new FTE student enrollments in 2001-02 and 154 new FTE student enrollments in 2002-03 at the Tacoma branch campus. 99 of the new enrollments in 2002-03 at the Tacoma branch campus are intended to be used for establishing the technology institute. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction, except that undergraduate enrollments at the Bothell and Tacoma branch campuses are funded at the upper division rate. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

5. Technology Institute - Operating support is provided for a State Technology Institute operating from the university's Tacoma branch campus. The budget includes state enrollment money for 99 new undergraduate or graduate technology students during the 2001-03 biennium. Additional resources have been appropriated to the State Board (see Agency 699) so regional community and technical colleges can recruit and prepare 140 FTE associate degree students for transfer to the Institute starting in the 2002-03 academic year. The state's total investment is \$8.3 million which reflects tuition and general funds for academic instruction and supporting services, as well as \$2 million in capital funds to leverage private gifts received by the UW and to construct and equip computer language labs for public two-year college partners.

2001-03 Omnibus Operating Budget
University of Washington

6. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes. (General Fund-State, Accident Account, Medical Aid Account, Death Investigations Account)

7. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003. (General Fund-State, Accident Account, Medical Aid Account)

8. Survey Cause of Multiple Sclerosis - Funding is provided for the school of medicine to conduct a survey that examines characteristics, factors and probable causes for the high incidence of multiple sclerosis cases in Washington state.

10. Urban Horticulture Center - Funding is provided for reconstruction of and repairs to the Urban Horticulture Center at Merrill Hall. (UW Building Account)

11. Advanced Technology Initiative - Funding is provided to support further applied technology projects at the University of Washington. The university plans to apply this money to support faculty research in photonics, distributed diagnostics for home health care, structural and computational neuroscience, as well as construction science and education.

12. Operating Cost Reductions - funding is reduced by two percent for non-instruction program costs.

2001-03 Omnibus Operating Budget
Washington State University
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	380,438	409,217	789,655
2001-03 Carryforward Level	395,599	409,428	805,027
2001-03 Maintenance Level	398,872	409,428	808,300
Policy Changes:			
1. Health Benefit Changes	3,775	0	3,775
2. General Inflation	-2,108	0	-2,108
3. Faculty and Staff Salary Increase	17,553	0	17,553
4. Enrollment Increase	1,230	504	1,734
5. Rebase for Pullman (-277 FTE)	-1,567	-1,928	-3,495
6. Pension Savings/Economic Assumption	-1,710	0	-1,710
7. FICA Savings	-295	0	-295
8. Tuition Rate Increase	0	14,151	14,151
9. Advanced Technology Initiative	300	0	300
10. Operating Cost Reductions	-4,695	0	-4,695
Total Policy Changes	12,483	12,727	25,210
Total 2001-03 Biennium	411,355	422,155	833,510

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

4. Enrollment Increase - Funding is provided for 42 new FTE student enrollments at the Spokane campus in 2002-03; and 82 new FTE student enrollments at the Vancouver campus in 2002-03. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction, except that undergraduate enrollments at the Spokane and Vancouver branch campuses are funded at the upper division rate. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

5. Rebase for Pullman (-277 FTE) - The university's base funding is partially reduced to reflect 277 less FTE students at the Pullman campus this academic year. This adjustment brings budgeted enrollments for the main campus down from 17,609 to 17,332 FTE students as WSU does not expect student growth as assumed in the 1999 biennial budget. The University retains a portion of the General Fund savings (\$951,000 of \$2.5 million) which may be applied at local discretion to meet current instruction and student-related expenses or to help finance the start-up of new degree offerings next biennium. (General Fund-State, Non Appropriated Local Operating Fund Account)

6. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

7. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

2001-03 Omnibus Operating Budget
Washington State University

Wednesday, June 20, 2001
4:31 pm

9. Advanced Technology Initiative - Funds are provided to support further applied technology projects at Washington State University. The university plans to apply this money to support faculty research in the genomics of reproduction, agriculture and forestry genomics, as well as advanced wood composites.

10. Operating Cost Reductions - Funding is reduced by two percent for non-instruction program costs.

2001-03 Omnibus Operating Budget
Eastern Washington University
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	85,638	67,930	153,568
2001-03 Carryforward Level	88,494	68,892	157,386
2001-03 Maintenance Level	88,855	68,892	157,747
Policy Changes:			
1. Health Benefit Changes	966	0	966
2. General Inflation	-697	0	-697
3. Faculty and Staff Salary Increase	3,903	0	3,903
4. Enrollment Increase	1,133	600	1,733
5. Pension Savings/Economic Assumption	-419	0	-419
6. FICA Savings	-75	0	-75
7. Tuition Rate Increase	0	3,996	3,996
8. Operating Cost Reductions	-752	0	-752
Total Policy Changes	4,059	4,596	8,655
Total 2001-03 Biennium	92,914	73,488	166,402

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

4. Enrollment Increase - Funding is provided for 69 new full-time equivalent (FTE) student enrollments in 2001-02 and 84 new FTE student enrollments in 2002-03. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

5. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

6. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

8. Operating Cost Reductions - Funding is reduced by two percent for non-instruction program costs.

2001-03 Omnibus Operating Budget
Central Washington University
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	86,928	69,173	156,101
2001-03 Carryforward Level	89,539	70,359	159,898
2001-03 Maintenance Level	87,346	86,912	174,258
Policy Changes:			
1. Health Benefit Changes	1,049	0	1,049
2. General Inflation	-250	-339	-589
3. Faculty and Staff Salary Increase	3,864	0	3,864
4. Enrollment Adjustment	-1,926	-1,046	-2,972
5. Pension Savings/Economic Assumption	-476	0	-476
6. FICA Savings	-82	0	-82
7. Tuition Rate Increase	0	4,050	4,050
8. Operating Cost Reductions	-1,085	0	-1,085
9. Institution Development	700	0	700
Total Policy Changes	1,794	2,665	4,459
Total 2001-03 Biennium	89,140	89,577	178,717

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

4. Enrollment Adjustment - Budgeted enrollments are lowered from 7,867 full time equivalent (FTE) students to 7,470 FTE students for Fiscal Year 2002 and Fiscal Year 2003. (General Fund-State; Non-Appropriated Institutional Operating Account)

5. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

6. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

8. Operating Cost Reductions - Funding is reduced by two percent for non-instruction program costs.

9. Institution Development - Funding is provided for the university to begin development and implementation of a plan to stabilize enrollments.

2001-03 Omnibus Operating Budget
The Evergreen State College
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	47,295	35,031	82,326
2001-03 Carryforward Level	48,595	35,682	84,277
2001-03 Maintenance Level	48,693	35,682	84,375
Policy Changes:			
1. Health Benefit Changes	567	0	567
2. General Inflation	-316	0	-316
3. WSIPP: Learning Assistance	60	0	60
4. WSIPP: Drug Affected Infants	65	0	65
5. WSIPP Alternate Teacher Certificate	44	0	44
6. WSIPP: Relative Caregivers	50	0	50
7. WSIPP: School for the Deaf	50	0	50
8. WSIPP: College as Welfare Work	30	0	30
9. WSIPP: Health Care Studies	150	0	150
10. WSIPP: Juvenile Crime Prevention	100	0	100
11. Faculty and Staff Salary Increase	2,332	0	2,332
12. Enrollment Increase	673	713	1,386
13. Pension Savings/Economic Assumption	-262	0	-262
14. FICA Savings	-44	0	-44
15. Tuition Rate Increase	0	2,916	2,916
16. Operating Cost Reductions	-598	0	-598
Total Policy Changes	2,901	3,629	6,530
Total 2001-03 Biennium	51,594	39,311	90,905

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. WSIPP: Learning Assistance - The Institute for Public Policy will examine options for revising the state's funding formula for the Learning Assistance Program to enhance accountability for school performance in meeting education reform goals. The report will be submitted to the Legislature by June 30, 2002.

4. WSIPP: Drug Affected Infants - In accordance with Substitute Senate Bill 5416, funding is provided for the Institute for Public Policy to evaluate state social and health service efforts targeted to intervene in cases of women giving birth to drug-affected infants. The Institute will provide its report to the fiscal, health and human service committees of the Legislature by December 1, 2003. In the event the bill is not enacted by June 30, the alternative use will be to evaluate state pilot efforts involving women giving birth to drug-affected infants with a report of the Institute's findings and recommendations by November 15, 2002.

5. WSIPP Alternate Teacher Certificate - In accordance with Engrossed Second Substitute Senate Bill 5695, funding is provided for the Institute for Public Policy to evaluate partnership grant programs for alternative teacher certification. An interim report will be provided to the fiscal and education committees of the Legislature by December 1, 2002, and the final report by December 1, 2004.

**2001-03 Omnibus Operating Budget
The Evergreen State College**Wednesday, June 20, 2001
4:31 pm

6. WSIPP: Relative Caregivers - Funding is provided for the Institute for Public Policy to study the prevalence and needs of families who are raising related children. The study shall compare services and policies of Washington with other states that have a higher rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements. A report shall be provided to the fiscal and human service committees of the Legislature by June 1, 2002.

7. WSIPP: School for the Deaf - Funding is provided for the Institute for Public Policy to examine a variety of educational service delivery models for the benefit of students at the State School for the Deaf. A report in conjunction with the capacity planning study provided by the Joint Legislative Audit & Review Committee shall be submitted to Legislative fiscal committees by September 30, 2002.

8. WSIPP: College as Welfare Work - Funding is provided for the Institute for Public Policy to examine the policies, program structure and recent experience in states where welfare recipients may attend college full-time as their required TANF work activity. The Institute will provide findings and recommend how Washington could add such a feature in a targeted, cost-neutral manner that would complement the present-day WorkFirst efforts and caseload. A report shall be provided to the human services, higher education and fiscal committees of the Legislature by November 15, 2001.

9. WSIPP: Health Care Studies - Funding is provided for the Institute for Public Policy to conduct research and evaluate strategies for constraining the growth in state health care expenditures.

10. WSIPP: Juvenile Crime Prevention - Funding is provided for the Institute for Public Policy to conduct a comprehensive review of the costs and benefits of existing juvenile crime prevention and intervention programs. This evaluation shall also consider what changes could result in more cost-effective and efficient funding for juvenile crime prevention and intervention programs presently supported with state funds. The Institute for Public Policy shall report its finding and recommendations to the appropriate Legislative fiscal and policy committees by October 1, 2002.

11. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

12. Enrollment Increase - Funding is provided for 41 new full-time equivalent (FTE) student enrollments in 2001-02 and 83 new FTE student enrollments in 2002-03. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

13. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

14. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

16. Operating Cost Reductions - Funding is reduced by two percent for non-instruction program costs.

2001-03 Omnibus Operating Budget
Spokane Intercol Rsch & Tech Inst
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	2,659	2,659
2001-03 Carryforward Level	0	2,659	2,659
2001-03 Maintenance Level	0	1,327	1,327
Policy Changes:			
1. Agency Operating Funds	3,000	0	3,000
Total Policy Changes	3,000	0	3,000
Total 2001-03 Biennium	3,000	1,327	4,327

Comments:

1. Agency Operating Funds - Operating funds are budgeted directly to the Spokane Intercollegiate Research and Technology Institute instead of through the Department of Community, Trade and Economic Development. State support provided for 2001-03 is 80 percent of current level. The Institute will adjust operating expenses to balance available funds, seek private grants and pursue those ventures and development efforts which enable the agency to generate revenue locally so as to become more self-supporting in future years.

2001-03 Omnibus Operating Budget
Western Washington University
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	110,004	109,865	219,869
2001-03 Carryforward Level	114,090	111,083	225,173
2001-03 Maintenance Level	114,823	111,083	225,906
Policy Changes:			
1. Health Benefit Changes	1,188	0	1,188
2. General Inflation	-581	0	-581
3. Faculty and Staff Salary Increase	5,397	0	5,397
4. Enrollment Increase	2,378	1,402	3,780
5. Higher Education Consortium	1,145	0	1,145
6. Pension Savings/Economic Assumption	-595	0	-595
7. FICA Savings	-93	0	-93
8. Tuition Rate Increase	0	5,285	5,285
9. Operating Cost Reductions	-1,026	0	-1,026
Total Policy Changes	7,813	6,687	14,500
Total 2001-03 Biennium	122,636	117,770	240,406

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Faculty and Staff Salary Increase - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to faculty and classified staff, and exempt personnel.

4. Enrollment Increase - Funding is provided for 150 new full-time equivalent (FTE) student enrollments in 2001-02 and 150 new FTE student enrollments in 2002-03. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

5. Higher Education Consortium - Western Washington University is the fiscal agent for the seven-institution North Snohomish, Island, Skagit Consortium (NSIS). Funding is provided for operating expenditures and office space lease costs. Program staff will be added to provide student services and technical staff will be added to support interactive television classrooms and computer labs.

6. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75%, effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

7. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

9. Operating Cost Reductions - Funding is reduced by two percent for non-instruction program costs.

2001-03 Omnibus Operating Budget
Community/Technical College System
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	946,496	563,378	1,509,874
2001-03 Carryforward Level	984,835	568,233	1,553,068
2001-03 Maintenance Level	1,015,103	659,709	1,674,812
Policy Changes:			
1. Health Benefit Changes	11,098	0	11,098
2. On-Line Campus	0	4,500	4,500
3. General Inflation	-4,474	0	-4,474
4. Community Development Program	2,000	0	2,000
5. Staff and Administrator Salaries	17,114	0	17,114
6. Enrollment Increase	23,957	6,365	30,322
7. Pipeline for Technology Institute	966	249	1,215
8. Pension Savings/Economic Assumption	-5,894	0	-5,894
9. FICA Savings	-869	0	-869
10. Fees to Support Adult Basic Ed	-3,000	6,000	3,000
11. Tuition Rate Increase	0	26,841	26,841
12. Reprogram Timber Worker Enrollment	-2,882	0	-2,882
13. Part-Time Faculty Salary Increase	7,500	0	7,500
14. Faculty Increments	3,500	0	3,500
15. Operating Cost Reductions	-5,989	0	-5,989
Total Policy Changes	43,027	43,955	86,982
Total 2001-03 Biennium	1,058,130	703,664	1,761,794

Comments:

1. Health Benefit Changes - The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$455.57 in fiscal year 2002 and \$494.14 in Fiscal Year 2003. Additional details are provided in Agency 713 - State Employee Compensation changes.

2. On-Line Campus - Funding is provided to enhance the distance learning project. An online student service center will expand access to courses and programs among all college campuses. Help desk service will be available to students 24 hours a day, seven days a week. (Education Savings Account - State)

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Community Development Program - Funding is provided to start new community and technical college training programs in rural counties and in communities impacted by business closures and job reductions, particularly those brought about due to the energy crisis.

5. Staff and Administrator Salaries - Cost-of-living increases of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 are provided to classified staff and exempt personnel.

6. Enrollment Increase - Funding is provided for 1,750 new full-time equivalent (FTE) student enrollments in 2001-02 and 1,750 new FTE student enrollments in 2002-03. Enrollments are funded at the Higher Education Coordinating Board (HECB) cost of instruction. (General Fund - State, Non Appropriated Institutional Operating Fees Account)

7. Pipeline for Technology Institute - Funding is provided to recruit, enroll and prepare 140 FTE associate degree students for transfer to the UW Technology Institute from college districts located in Grays Harbor, King, Kitsap, Pierce, and Thurston counties. (General Fund-State, Non-Appropriated Institutional Operating Fund Account)

**2001-03 Omnibus Operating Budget
Community/Technical College System**

8. Pension Savings/Economic Assumption - The PERS employer contribution rate is reduced from 3.21% to 1.54% effective July 1, 2001, and the TRS employer contribution rate is reduced from 5.38% to 2.75% effective September 1, 2001. For more details see Agency 713 - State Employees Compensation changes.

9. FICA Savings - The budget reduces the level of higher education institutions' allocations for health insurance rate increases to recognize the school FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$3.00 per month for fiscal year 2002, and by \$4.00 for fiscal year 2003, to reflect the school savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003.

12. Reprogram Timber Worker Enrollment - Program funds previously held for timber workers are redirected for college training programs offered in rural counties, and those communities where rapidly rising energy costs have resulted in permanent job dislocation through the Board's Community Development Program. Enrollments for timber and other natural resource industry labor are reduced by 500 full time equivalent (FTE) students reflecting this budget policy shift. Such workers will continue to be served by the state's \$57 million education and training program for unemployed workers and also stand to benefit from grants to help Washington retrain those losing their jobs due to declining federal timber harvests.

13. Part-Time Faculty Salary Increase - Funding is provided to increase the statewide average compensation for part-time instructors at state community colleges. The Board may decide how best to allocate this sum among all 34 districts to achieve the Legislature's objective. The State Board will report annually on the outcome of collective bargaining that materially impacts progress to close the gap between full-time and part-time equivalent salaries on a system, and district basis. This report shall be provided to the fiscal and higher education committees of the Legislature by December 1st of each year.

14. Faculty Increments - Funding is provided for incremental salary adjustments for faculty. General Fund appropriations may be used in combination with faculty turnover savings for this purpose.

15. Operating Cost Reductions - Funding is reduced by two percent of non-instruction program costs. For the system of community and technical colleges, an adjustment has been made to account for changes in General Fund financing of adult basic education.

2001-03 Omnibus Operating Budget
State School for the Blind
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	8,611	644	9,255
2001-03 Carryforward Level	8,777	644	9,421
2001-03 Maintenance Level	8,963	644	9,607
Policy Changes:			
1. School Safety Officer	10	0	10
2. K-12 Cost of Living Adjustment	119	0	119
3. General Inflation	-43	0	-43
4. Regional Outreach Program	62	229	291
5. Digital Classroom/Accessible Media	0	300	300
Total Policy Changes	148	529	677
Total 2001-03 Biennium	9,111	1,173	10,284

Comments:

1. School Safety Officer - One-time funding is provided for a safety resource officer to assist the school in developing guidelines and procedures to maintain a safe campus. This funding will be used as a match for the federal safety resource officer program funding.

2. K-12 Cost of Living Adjustment - Funding is provided for teacher and other Certificated Instructional Staff (CIS) cost-of-living increases. Currently, salaries for teachers and other CIS at the School for the Blind (WSSB) are paid according to the Vancouver School District's salary schedule, as required under state law. When state salary increases are provided to public school CIS, teachers and other CIS at the WSSB receive equivalent salary increases. Initiative 732 defines the annual cost-of-living increases for teachers and CIS as the prior year's Seattle area Consumer Price Index. Consistent with the initiative, teachers and other CIS at WSSB will receive a 3.7 percent salary increase during the 2001-02 school year followed by a 3.1 percent increase in the 2002-03 school year.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Regional Outreach Program - Funding is provided for a part-time orientation and mobility specialist to implement a regional program developed by the school and the Education Service District 101 to coordinate the delivery of orientation and mobility services to blind children in northeast Washington. Additional staffing for the program will be coordinated at the local level with ongoing program operations funded through local sources. (General Fund-State, General Fund-Private/Local)

5. Digital Classroom/Accessible Media - Spending authority is granted to provide specialized training to teachers in their local school districts via the K-20 network. The School for the Blind is pursuing partnerships with higher education teacher training programs to help teachers provide services to blind and visually impaired children in response to the shortage of trained teachers of the blind. (General Fund-Private/Local)

2001-03 Omnibus Operating Budget
State School for the Deaf
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	14,320	0	14,320
2001-03 Carryforward Level	14,530	0	14,530
2001-03 Maintenance Level	14,483	0	14,483
Policy Changes:			
1. School Safety Officer	10	0	10
2. K-12 Salary COLA	166	0	166
3. General Inflation	-63	0	-63
4. Academic Excellence	102	0	102
5. Outreach Program	136	232	368
Total Policy Changes	351	232	583
Total 2001-03 Biennium	14,834	232	15,066

Comments:

1. School Safety Officer - One-time funding is provided for a safety resource officer to assist the school in developing guidelines and procedures to maintain a safe campus. This funding will be used as a match for the federal safety resource officer program funding.

2. K-12 Salary COLA - Funding is provided for teacher and other Certificated Instructional Staff (CIS) cost-of-living increases. Currently, salaries for teachers and other CIS at the School for the Deaf (WSD) are paid according to the Vancouver School District's salary schedule, as required under state law. When state salary increases are provided to public school CIS, teachers and other CIS at the WSD receive equivalent salary increases. Initiative 732 defines the annual cost-of-living increases for teachers and CIS as the prior year's Seattle area Consumer Price Index. Consistent with the initiative, teachers and other CIS at WSD will receive a 3.7 percent salary increase during the 2001-02 school year followed by a 3.1 percent increase in the 2002-03 school year.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Academic Excellence - One-time funding is provided for replacement of textbooks and classroom materials and to pay tuition costs for students participating in off-campus running start and vocational education programs at Clark College and Clark County Skill Center.

5. Outreach Program - One-time funding is provided to initiate an outreach program. Services will include direct evaluation and assessment of students attending local public schools, consultation and training to parents, and consultation and training to professional educators serving these students. The school will expand on-campus weekend and summer programs, which will enhance the educational and social skill building opportunities for participating deaf and hard of hearing students. Delivery of outreach services to students will be funded through contracts with local school districts. (General Fund-State, General Fund-Private/Local)

2001-03 Omnibus Operating Budget
Work Force Trng & Educ Coord Board
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,970	34,943	37,913
2001-03 Carryforward Level	2,452	34,972	37,424
2001-03 Maintenance Level	2,489	45,499	47,988
Policy Changes:			
1. General Inflation	-7	-13	-20
2. Inland NW Technology Educ Ctr	1,000	0	1,000
Total Policy Changes	993	-13	980
Total 2001-03 Biennium	3,482	45,486	48,968

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Other Funds)

2. Inland NW Technology Educ Ctr - Funding is provided for operations and development of the Inland Northwest Technology Education Center (INTEC), a public-private partnership between business leaders and postsecondary institutions to coordinate and target short-term education and job specific training from Spokane. This consortium grew out of the Skills Grant project, a 1999 initiative of the Workforce Training & Education Coordinating Board. The Board will serve as an advisor and fiscal agent for this new consortium and will report back to the Legislature and Governor by September 2002 as to the progress and future steps for INTEC as it evolves.

2001-03 Omnibus Operating Budget
State Library
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	17,912	9,017	26,929
2001-03 Carryforward Level	17,998	9,006	27,004
2001-03 Maintenance Level	18,273	7,020	25,293
Policy Changes:			
1. Administrative Budget Reduction	-548	0	-548
2. General Inflation	-148	-44	-192
Total Policy Changes	-696	-44	-740
Total 2001-03 Biennium	17,577	6,976	24,553

Comments:

1. Administrative Budget Reduction - The State Library will reduce its administrative budget by three percent of the maintenance level.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

2001-03 Omnibus Operating Budget
Washington State Arts Commission
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	4,971	1,045	6,016
2001-03 Carryforward Level	5,255	1,000	6,255
2001-03 Maintenance Level	5,350	1,000	6,350
Policy Changes:			
1. General Inflation	-103	0	-103
2. Art Program Support	500	0	500
Total Policy Changes	397	0	397
Total 2001-03 Biennium	5,747	1,000	6,747

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Art Program Support - Funding is provided for additional grants in the Art in Communities and Arts in Education programs.

2001-03 Omnibus Operating Budget
Washington State Historical Society
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	5,811	1,542	7,353
2001-03 Carryforward Level	5,633	1,542	7,175
2001-03 Maintenance Level	5,688	1,575	7,263
Policy Changes:			
1. General Inflation	-35	-15	-50
2. Lewis & Clark Bicentennial	375	0	375
Total Policy Changes	340	-15	325
Total 2001-03 Biennium	6,028	1,560	7,588

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, State Historical Museum Fund-Non-Appropriated)

2. Lewis & Clark Bicentennial - One-time funding is provided to the Historical Society to work with local communities, tribal governments, neighboring states, and the national bicentennial council to plan local events and community education programs in preparation for the 2004 bicentennial celebration of the Lewis and Clark Trail.

2001-03 Omnibus Operating Budget
East Wash State Historical Society
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	2,609	0	2,609
2001-03 Carryforward Level	2,266	0	2,266
2001-03 Maintenance Level	2,777	0	2,777
Policy Changes:			
1. General Inflation	-15	0	-15
2. Increase Community Partnerships	447	0	447
Total Policy Changes	432	0	432
Total 2001-03 Biennium	3,209	0	3,209

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Increase Community Partnerships - Funding is provided for five new staff to improve services to visitors and researchers at the newly expanded Cheney Cowles Museum. The museum staff will increase partnerships with the community to enhance and expand exhibits, display more of the museum's permanent collections, feature regional and national collections, and offer more interactive learning environments.

2001-03 Omnibus Operating Budget
Bond Retirement and Interest
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	1,118,176	177,687	1,295,863
2001-03 Carryforward Level	1,188,804	181,821	1,370,625
2001-03 Maintenance Level	1,227,146	185,581	1,412,727
Policy Changes:			
1. Debt Service Pay Off & Other Adj	0	0	0
2. New Issuance 2001-03 Exist Auth	0	10,134	10,134
3. New Debt 2001-03 Capital Budget	21,624	794	22,418
Total Policy Changes	21,624	10,928	32,552
Total 2001-03 Biennium	1,248,770	196,509	1,445,279

Comments:

2. New Issuance 2001-03 Exist Auth - Funding is provided for new issuance in the 2001-03 biennium from existing authorizations (previous bond bills) and reimbursable bonds newly authorized in the 2001 session, including the bonds for the plaza garage, the University of Washington and the Legislative building. (Higher Education Construction Account, State Capitol Vehicle Parking Account, Nondebt-Limit Reimbursable Bond Retirement Account, Capitol Historic District Construction Account)

3. New Debt 2001-03 Capital Budget - Debt service and bond sale expenses will be incurred for the new debt issued to fund the 2001-03 biennium capital plan. (General Fund-State, various debt service accounts)

2001-03 Omnibus Operating Budget
Special Approps to the Governor
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	307,014	106,291	413,305
2001-03 Carryforward Level	196,985	48,458	245,443
2001-03 Maintenance Level	206,913	46,158	253,071
Policy Changes:			
1. King County Public Health	0	2,113	2,113
2. Digital Government	0	5,000	5,000
3. Fire Contingency Pool	2,000	3,000	5,000
4. Extraordinary Criminal Justice Cost	0	975	975
5. Ferry Assistance	-40,000	30,000	-10,000
6. Technology Pool	0	7,518	7,518
7. Tort Claims	6,392	25,000	31,392
8. Deposit into Technology Pool	4,100	0	4,100
Total Policy Changes	-27,508	73,606	46,098
Total 2001-03 Biennium	179,405	119,764	299,169

Comments:

1. King County Public Health - In order to consolidate replacement of local public health funding associated with the loss of local revenue following the passage of Initiative 695, funds for King County Public Health are transferred from the Department of Community, Trade, and Economic Development's budget to Special Appropriations. The amount is reduced by 10% to align King County funding with other public health districts. (Health Services Account)

2. Digital Government - The implementation of on-line services for agencies with dedicated funds will be provided from a funding pool in order to facilitate consideration of multiple individual project requests from various state agencies. (Digital Government Revolving Account-State)

3. Fire Contingency Pool - A fire contingency pool was created in the 1999 supplemental budget to address fire mobilization costs and fire suppression costs in excess of the amounts appropriated to the Military Department and the Department of Natural Resources. During the 2000 fire season, this pool was completely depleted. Funds are appropriated from the General Fund to the Disaster Response Account to replenish this contingency pool. (General Fund-State, Disaster Response Account-State)

4. Extraordinary Criminal Justice Cost - Funding is provided for assistance to Franklin, Klickitat, Cowlitz, Skagit, Yakima, Thurston and Spokane counties for extraordinary criminal justice costs incurred in the adjudication of aggravated homicide cases. (Public Safety and Education Account)

5. Ferry Assistance - Support to the Puget Sound Ferry Operations Account is provided from the State Surplus Assets Reserve Account. Support is reduced from \$20 million in fiscal year 2002 to \$10 million in fiscal year 2003.

6. Technology Pool - Funding is provided for a competitive information technology pool for state executive branch agencies, excluding schools and institutions of higher education. Agencies may apply to the Department of Information Services to receive a share of these funds. Funds are to be distributed to state agencies by the Office of Financial Management. The Office of Financial Management shall not distribute funding unless specific operational budget savings are identified for any ongoing operating costs resulting from the information technology project. (Digital Government Revolving Account-- State)

7. Tort Claims - \$6.4 million is appropriated from the General Fund-State and \$25 million from the State Surplus Assets Reserve Account for deposit into the Liability Account to pay increased costs associated with tort claims and tort defense. These appropriations are in addition to \$38 million for tort costs that is incorporated as increases in state agencies' revolving fund charges for the 2001-03 biennium and \$75 million already in the state's base budget for tort claims and tort defense. (General Fund-State, State Surplus Assets Reserve Account)

**2001-03 Omnibus Operating Budget
Special Approps to the Governor**

Wednesday, June 20, 2001
4:31 pm

8. Deposit into Technology Pool - Funds are appropriated from the General Fund-State to the Digital Government Revolving Account for an information technology pool.

2001-03 Omnibus Operating Budget
State Employee Compensation Adjust
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	256	9,821	10,077
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	0	0	0
Policy Changes:			
1. Health Benefit Changes	28,775	30,313	59,088
2. Attorney Salary Increases	3,071	3,071	6,142
3. State Employee Salary Increase	115,070	132,436	247,506
4. Salary Reclass Implementation	27,538	13,127	40,665
5. Pension Savings/Economic Assumption	-34,745	-38,047	-72,792
6. FICA Savings	-1,610	-1,697	-3,307
Total Policy Changes	138,099	139,203	277,302
Total 2001-03 Biennium	138,099	139,203	277,302

Comments:

1. Health Benefit Changes - Employee and non-Medicare retiree health benefit costs are expected to increase by 9.1 percent for managed care plans and 10.7 percent for the Uniform Medical Plan (UMP) in calendar year 2002, and by 12 percent for all plans in calendar year 2003. Medicare retiree health benefit costs are expected to increase by 20 percent each year for managed care plans and 21 percent each year for the Uniform Medical Plan (UMP). The monthly employer contribution rate is increased from \$436.16 in fiscal year 2001 to \$457.29 in fiscal year 2002 and \$497.69 in fiscal year 2003. At these rates, the employer contribution is approximately 92 percent of the total premium rate in fiscal year 2002 and 90 percent of the total premium rate in fiscal year 2003. These rates assume an increase in co-payments for certain medical services (emergency room \$50 to \$75, etc.). No increase in the co-insurance plan for prescription drugs is assumed. No increase in the copay for office visits is assumed. The Medicare retiree subsidy is increased from \$69.98 to \$85.84 in calendar year 2002 and \$102.55 in calendar year 2003. The monthly K-12 employee remittance, which funds the cost of K-12 retiree subsidies, will increase from \$25.06 to \$32.41 for the 2001-02 school year, and to \$37.48 for the 2002-03 school year. The Health Care Authority estimates that the average employee monthly premium rate will increase from \$27.78 in calendar year 2001 to approximately \$52.15 in 2002 and \$58.18 in 2003. Funding is also provided for additional benefits specified in Chapter 321, 2001 Laws (general anesthesia services). (General Fund-State, General Fund-Federal, General Fund-Local, Salary and Insurance Increase Revolving Fund)

2. Attorney Salary Increases - Funding is provided for the following targeted salary increases for assistant attorneys general: (1) increases in beginning salaries; merit-based increases to recognize outstanding performance; and increases to address critical recruitment and retention problems in specialty practice areas such as torts, revenue, utility regulation, and other high demand fields. Increases shall be effective July 1, 2001 and July 1, 2002. (General Fund-State, Legal Services Revolving Account)

3. State Employee Salary Increase - A cost-of-living increase (COLA) of 3.7 percent effective July 1, 2001 and 2.6 percent effective July 1, 2002 is provided to all state classified employees, with the exception of the certificated staff at the state Schools for the Deaf and Blind. Funding is also included to provide similar average COLAs to exempt personnel at the discretion of agency directors. (General Fund-State, General Fund-Federal, General Fund-Local, Salary Revolving Fund)

4. Salary Reclass Implementation - Funding is provided for specific salary increases, effective January 1, 2002, for the listed priorities through item number 8B adopted under the 6767 process by the Washington Personnel Resources Board. Classifications receiving adjustments are: psychiatrists; psychologists; various higher education information technology classes; forensic document examiners and forensic scientists; social workers; campus police; various financial classifications in both higher education and general government; insurance examiners; all classes requiring licensure as a registered nurse; and licensed practical nurse classes, including mental health LPNs. (General Fund-State, General Fund-Federal, Salary Increase Revolving Fund)

**2001-03 Omnibus Operating Budget
State Employee Compensation Adjust**Wednesday, June 20, 2001
4:31 pm

5. Pension Savings/Economic Assumption - The PERS employer contribution rate adopted by the Pension Funding Council for the 2001-2003 biennium was 3.21 percent and the TRS employer contribution rate was 5.38 percent. The PERS rate is reduced to 1.54 percent, effective July 1, 2001, and the TRS employer contribution rate is reduced to 2.75 percent, effective September 1, 2001. The new rates are based on the 1999 plan year valuation studies conducted by the Office of the State Actuary in 2000, but are adjusted to reflect the changes made by HB 2236 (public pension systems) or ESSB 6167 (state retirement systems), which increases the long-term economic assumptions for future wage growth and investment returns, and re-establishes the June 30, 2024 deadline for funding all of the liabilities of PERS 1 and TRS 1. (General Fund-State, General Fund-Federal, General Fund-Local, Special Retirement Contribution Increase Account)

6. FICA Savings - Funding for agency allocations for health insurance rate increases is reduced to recognize the agency FICA (social security) savings from payment of employee premiums on a pre-tax basis. The funding rate is reduced by \$2.00 per month for fiscal year 2002 and \$3.00 for fiscal year 2003, to reflect most of the agency savings resulting from the increase in the average employee premium from \$28 per month in 2001, to \$52 in 2002, and to \$58 in 2003. Additional state agency savings equal to \$1.00 per month for both years is left with the agencies to cover the cost of HRISD rate increases for payroll system changes needed to implement PERS Plan 3 and other costs. (General Fund-State, General Fund-Federal, General Fund-Local, Salary and Insurance Increase Revolving Fund)

2001-03 Omnibus Operating Budget
Contributions to Retirement Systems
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	51,712	0	51,712
2001-03 Carryforward Level	55,456	0	55,456
2001-03 Maintenance Level	52,700	0	52,700
Policy Changes:			
1. Pension Savings/Economic Assumption	-7,980	0	-7,980
Total Policy Changes	-7,980	0	-7,980
Total 2001-03 Biennium	44,720	0	44,720

Comments:

1. Pension Savings/Economic Assumption - The LEOFF Plan 2 state contribution rate is reduced from 2.31 percent to 1.80 percent effective July 1, 2001. The new rate is based on the 1999 plan year valuation study conducted by the Office of the State Actuary in 2000, but is adjusted to reflect the changes made by 2236 (public pension systems) or ESSB 6167 (state retirement systems), which increases the long-term actuarial assumptions for future wage growth and investment returns.

2001-03 Omnibus Operating Budget
Other Legislation
(Dollars in Thousands)

Wednesday, June 20, 2001
4:31 pm

	GF-S	As Passed Other	Total
1999-01 Estimated Expenditures	0	0	0
2001-03 Carryforward Level	0	0	0
2001-03 Maintenance Level	0	0	0
Policy Changes:			
1. HB2258 Earthquake & Drought Relief	0	25,000	25,000
Total Policy Changes	0	25,000	25,000
Total 2001-03 Biennium	0	25,000	25,000

Comments:

1. HB2258 Earthquake & Drought Relief - House Bill 2258 appropriates five million dollars from the Emergency Reserve Fund (ERF) for deposit in the state drought preparedness account in response to the emergency caused by a natural disaster and declared a statewide drought emergency by the governor on March 14, 2001. The sum of twenty million dollars is appropriated from the ERF for deposit in the Nisqually earthquake account in response to the emergency caused by a natural disaster, known as the Nisqually earthquake, as declared by chapter 5, Laws of 2001, the Governor, and the President of the United States. (Emergency Reserve Fund-State)

Table of Contents

Page	Agy	Pgm	Title
1	011		House of Representatives
2	012		Senate
3	014		Joint Legislative Audit & Review Committee
5	020		Legislative Evaluation & Accountability Program Committee
6	035		Actuary, Office of the State
7	038		Joint Legislative Systems Committee
8	040		Statute Law Committee
9	091		Redistricting Comm
10	045		Supreme Court
11	046		State Law Library
12	048		Court of Appeals
13	050		Judicial Conduct, Commission on
14	055		Administrator for the Courts, Office of the
15	056		Public Defense, Office of
16	075		Governor, Office of the
17	080		Lieutenant Governor, Office of the
18	082		Public Disclosure Commission
19	085		Secretary of State, Office of the
20	086		Indian Affairs, Governor's Office of
21	087		Asian-Pacific-American Affairs, Washington State Commission
22	090		Treasurer, Office of the State
23	095		Auditor, Office of the State
24	099		Salaries for Elected Officials, Citizens' Commission on
25	100		Attorney General, Office of the
27	101		Caseload Forecast Council
28	102		Financial Institutions, Department of
30	103		Community, Trade, & Economic Development, Department of
33	104		Economic & Revenue Forecast Council
34	105		Financial Management, Office of
35	110		Administrative Hearings, Office of
36	111		Personnel, Department of
37	116		Lottery Commission, State
38	117		Gambling Commission, Washington State
39	118		Hispanic Affairs, Washington State Commission on
40	119		African-American Affairs, Washington State Commission on
41	122		Personnel Appeals Board
42	124		Retirement Systems, Department of
44	126		Investment Board, State
45	140		Revenue, Department of
46	142		Tax Appeals, Board of
47	144		Municipal Research Council
48	147		Minority & Women's Business Enterprises, Office of
49	150		General Administration, Department of
51	155		Information Services, Department of
52	160		Insurance Commissioner, Office of
54	165		Accountancy, State Board of
55	167		Forensic Investigation Council
56	185		Horse Racing Commission, Washington

Table of Contents

Page	Agy	Pgm	Title
57	195		Liquor Control Board, Washington State
58	215		Utilities and Transportation Commission
59	220		Volunteer Firefighters, Board for
60	245		Military Department
62	275		Public Employment Relations Commission
63	476		Growth Planning Hearings Office
64	550		Convention and Trade Center, State
65	107		Health Care Authority, Washington State
67	120		Human Rights Commission
68	190		Industrial Insurance Appeals, Board of
69	227		Criminal Justice Training Commission, Washington State
70	235		Labor & Industries, Department of
72	250		Indeterminate Sentence Review Board
73	303		Health, Department of
76	305		Veterans' Affairs, Department of
77	310		Corrections, Department of
79	315		Services for the Blind, Department of
80	325		Sentencing Guidelines Commission
81	540		Employment Security, Department of
83	300	010	DSHS - Children & Family Services
86	300	020	DSHS - Juvenile Rehabilitation
88	300	030	DSHS - Mental Health
91	300	040	DSHS - Developmental Disabilities
93	300	050	DSHS - Long-Term Care Services
95	300	060	DSHS - Economic Services Administration
97	300	070	DSHS - Alcohol & Substance Abuse
99	300	080	DSHS - Medical Assistance Payments
102	300	100	DSHS - Vocational Rehabilitation
103	300	110	DSHS - Administration & Supporting Services
104	300	145	DSHS - Payments to Other Agencies
105	300	150	DSHS - Information System Services
106	460		Columbia River Gorge Commission
107	461		Ecology, Department of
111	462		Pollution Liability Insurance Program, Washington
112	465		Parks and Recreation Commission, State
114	467		Outdoor Recreation, Interagency Committee for
116	468		Environmental Hearings Office
117	471		Conservation Commission, State
118	477		Fish and Wildlife, Department of
123	490		Natural Resources, Department of
126	495		Agriculture, Department of
127	225		State Patrol, Washington
129	240		Licensing, Department of
131	350	010	Public Schools - OSPI & Statewide Programs
133	350	021	Public Schools - General Apportionment
134	350	022	Public Schools - Pupil Transportation
135	350	025	Public Schools - School Food Services
136	350	026	Public Schools - Special Education

Table of Contents

Page	Agy	Pgm	Title
137	350	027	Public Schools - Traffic Safety Education
138	350	028	Public Schools - Educational Service Districts
139	350	029	Public Schools - Levy Equalization
140	350	032	Public Schools - Elementary & Secondary School Improvement
141	350	035	Public Schools - Institutional Education
142	350	045	Public Schools - Education of Highly Capable Students
143	350	050	Public Schools - Student Achievement Program
144	350	055	Public Schools - Education Reform
146	350	060	Public Schools - Transitional Bilingual Instruction
147	350	061	Public Schools - Learning Assistance Program (LAP)
148	350	074	Public Schools - Block Grants
149	350	078	Public Schools - Better Schools Program
150	350	714	Public Schools - Compensation Adjustments
151	350	CSC	Public Schools - Common School Construction
152	343		Higher Education Coordinating Board
154	360		University of Washington
156	365		Washington State University
158	370		Eastern Washington University
159	375		Central Washington University
160	376		The Evergreen State College
162	377		Spokane Intercollegiate Research & Tech Inst
163	380		Western Washington University
164	699		Community & Technical College System
166	351		School for the Blind, State
167	353		School for the Deaf, State
168	354		Work Force Training & Education Coordinating Board
169	385		State Library
170	387		Arts Commission, Washington State
171	390		Historical Society, Washington State
172	395		Eastern Washington State Historical Society
173	010		Bond Retirement & Interest
174	076		Special Appropriations to the Governor
176	713		Employee Compensation Adjustments, State
178	740		Retirement Systems, Contributions to
179	OTH		Other Legislation